



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY**

**SELECT COMMITTEE ON ESTIMATES 2018-2019**

(Reference: [Appropriation Bill 2018-2019 and Appropriation \(Office of the Legislative Assembly\) Bill 2018-2019](#))

**Members:**

**MR A WALL (Chair)**  
**MS T CHEYNE (Deputy Chair)**  
**MS C LE COUTEUR**  
**MS E LEE**  
**MS S ORR**

**TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**THURSDAY, 28 JUNE 2018**

**Secretary to the committee:**  
**Mrs N Kosseck (Ph 620 50435)**

**By authority of the Legislative Assembly for the Australian Capital Territory**

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

## APPEARANCES

<b>Chief Minister, Treasury and Economic Development Directorate .....</b>	<b>922, 968</b>
<b>Cultural Facilities Corporation .....</b>	<b>922</b>
<b>Environment, Planning and Sustainable Development Directorate .....</b>	<b>981, 1016</b>
<b>Office of the Commissioner for Sustainability and the Environment.....</b>	<b>1008</b>
<b>Transport Canberra and City Services Directorate .....</b>	<b>968</b>

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*Amended 20 May 2013*

## **The committee met at 9.14 am.**

Appearances:

Ramsay, Mr Gordon, Attorney-General, Minister for Regulatory Services, Minister for the Arts and Community Events and Minister for Veterans and Seniors

Chief Minister, Treasury and Economic Development Directorate

Peffer, Mr Dave, Deputy Director-General, Access Canberra

Green, Mr Ben, Acting Director, Regulatory Solutions & Compliance, Access Canberra

Cubin, Ms Derise, Director, Licensing & Registrations, Access Canberra

Rynehart, Mr Josh, Director, Customer Coordination, Access Canberra

Arthy, Ms Kareena, Deputy Director-General, Enterprise Canberra

Verden, Ms Jo, Director, Events ACT, Enterprise Canberra

Tyler, Ms Sam, Director, artsACT, Enterprise Canberra

Cultural Facilities Corporation

Elvin, Ms Harriet, Chief Executive Officer

Breynard, Mr Shane, Director, CMAG and Corporate Strategy, Canberra Museum and Gallery

**THE CHAIR:** Welcome to day 10 of estimates. We have a number of areas to work through today, starting with Minister Ramsay looking at output class 2.1, Access Canberra and his responsibilities in that space.

I am sure all witnesses are familiar with the privilege statement. We will open to questions, and I will give my first question to Miss Burch.

**MISS C BURCH:** We have seen this morning that quite a few older drivers received letters from Access Canberra after they renewed their drivers licences saying they need to do a visual acuity test. Do we know what caused this error? How many letters were sent out, and when will drivers receive letters saying that this was an error and offering an apology?

**Mr Peffer:** That was a system error. Within the rego system we had been doing a number of separate builds and exposing a number of services digitally so people can access some online. As part of that process we have quite a rigorous testing regime. However, on this occasion we did not pick up an unintended consequence of one of the changes we made. This was associated with providing Canberrans the opportunity to renew their licences online rather than having to go into a shopfront.

We identified the problem early; it occurred just recently. So 1,370 letters were sent by mistake. A letter has already been sent to all those individuals apologising for the mistake and recognising the impact a letter like that can have. We accept full responsibility for that unfortunate circumstance and we are working to ensure that it does not happen again. Certainly no licences have been cancelled, and we have advised people of that. That is the situation at this point.

**MISS C BURCH:** If it has gone out to 1,370 people, presumably quite a few drivers have already gone to their optometrists and paid for that visual acuity test. Will anything be done to reimburse those people?

**Mr Pepper:** We have attempted to contact people as soon as possible. As I said, those letters have already gone out apologising for the mistake and advising they can ignore the erroneous statement in the earlier correspondence. At this stage we are dealing with it on a case-by-case basis. A number of individuals have presented at our service centres where we have been able to talk to them about the situation, apologise, and set things straight. But at this stage no decision has been taken about that.

**MISS C BURCH:** More broadly, when people are requested to provide medical information to the drivers licence medical team to prevent suspension of their licence, what is the process from that point forward? What reasons could there be for somebody's licence being suspended prior to the consideration of that medical information?

**Mr Pepper:** A range of factors are considered in terms of the safety of not just the individual the licence to drive their own vehicle but also other Canberrans on the road. We consider a number of medical issues as part of that approval process. I will ask Ms Cubin to step you through that.

**Ms Cubin:** Licence holders are required to report to us if there are any permanent or long-term illnesses or injuries that may impact on their driving. Generally the process is that we will refer them to their own GPs and get them to provide information to us. There are situations where they will be required to undertake a driving assessment. We refer people to a third party to undertake that.

Some of the conditions that might impact on someone's ability to drive are heart disease or epilepsy. As Mr Pepper said, we have to consider road safety for all road users. We recognise that there are impacts for people who may have their drivers licences suspended or cancelled, but there is a broader community aspect.

**MISS C BURCH:** I completely understand that. But have there been times where licences have been incorrectly suspended before medical information has been considered? What is the process from the time people are requested to get that medical assessment or provide that information to the point at which their licence is suspended?

**Ms Cubin:** I am not aware of that situation, but I will take that question on notice.

**MS CHEYNE:** I have questions about the call centre and fix my street. I think you may have just issued a media release, Minister Ramsay, but can you update me on what is being done to address call waiting times for Access Canberra? I had a call a few weeks ago that involved a 50-minute wait. It was at lunchtime, but I am interested to know what is being done.

**Mr Rynehart:** The contact centre takes a significantly varied range of calls across government. We take all the calls for Access Canberra, ACTION and CSD. We stand up for emergency events and support the SES and other activities. So we take a really

broad range of calls. Over the last period the calls have started to become more complex. Traditionally, the calls that came in to the organisation were more transactional: wishing to pay something, wanting some quick information. We have shifted more to focusing on solving the customer's problem the first time where we can, and over the past 12 months we have seen a reduction in how many times people need to call us to solve their issue. With that change have come increases in how long it is taking us to get to calls, and there is some wait in peak periods.

We are adding an additional five people into the contact centre which we anticipate will bring down that wait time. We will implement a new process we have been trialling for some months where we will call people back rather than having them hold on the line for an extended time. So after a few minutes on the line a caller will be offered the option to leave their details and we will call them back within a few hours.

We trialled that earlier this year on a few specific lines—some of the transport lines and a couple of the others—and it was really quite successful. We are looking to roll that out across all of our lines so people will not need to hang on and wait for us. We will call them back that same day to get their issue sorted for them. We expect that will do two things: one, it will ease the pressure for those people waiting; and two, it will mean that people will not get frustrated by having to wait for their call to be answered.

**Mr Peffer:** We saw a peak average wait time of around seven minutes earlier this year. Although that compares reasonably favourably with different governments and similar service providers around the country, our goal for this financial year is to bring that down to four minutes on average.

An important issue Mr Rynehart talked about is that single-call resolution. Recently we went through a process where we invited members of the community in for a series of focus groups. As part of those discussions we asked them what they value in terms of government service and how their matters are resolved through the contact centre.

A message that came through very strongly is that, as soon as the initial point of connection ceases—so when you first speak to someone and are then referred to another party or when all the details you wanted to share are taken and you are told someone else will call you back—the trust reduces significantly. People would prefer to wait and have a matter resolved rather than be referred to another area of government and hope someone actually calls them back. Despite that occurring reasonably well—not as well as we would like all the time—that has influenced how we have built our business model. We want to limit the number of referrals onto different areas so we can resolve it in the first instance within the contact centre.

**MS CHEYNE:** Am I right that, because you are trying to solve people's problems in the first instance, those calls are taking longer, therefore the wait times are increasing? The people who get through are getting their issues resolved more quickly but there are more people banking up in the queue? But that is what the new initiatives are meant to address.

**Mr Rynehart:** Yes. We are seeing the same in both the contact centre and the service

centres where traditional transactions were that people came and paid their rego, for example—it is one of the highest volume transactions—and that is now happening predominantly online. The calls that are coming in are the more complex questions: “I have just moved to the ACT. What do I need to do?” It is that type of conversation. Where we have resolved that, it does take more time and yes, it can then mean that although there may be fewer people in the queue it can back up a little more. That is where the additional staff will help out to bring down those peak times, which occur in the morning and the afternoon.

**MS CHEYNE:** What is the total cost for those staff?

**Mr Rynehart:** I do not have that.

**Mr Peffer:** We can take that on notice and provide that. What I should say is that it is being funded as part of the government’s investment into boosting front-line services for Access Canberra.

**MS CHEYNE:** Are five people enough?

**Mr Rynehart:** I believe so, yes.

**MS CHEYNE:** You said, Mr Rynehart, that the time in which you expect to call people back is a few hours. Is there going to be a target set within which we expect to call people back?

**Mr Rynehart:** The initial target is the same day. What we will do is monitor the performance very closely. When we trialled it we monitored performance very closely on the specific lines, and what we found was that as long as we got back to people that day they were comfortable with it. What we will do is monitor how successful that is and how often we actually get back to the person. We will focus on how quickly we get back, based on how successful we are at actually getting on to the people.

The challenge with it is that if the person calls back in the meantime because they have not received a call back then it has not been successful. It is a balance between making sure that we can deliver it and achieving what the customer is after. The initial commitment is the same day to call people back.

**MS CHEYNE:** What if they are calling at 4.45, as I have sometimes done, expecting people to pick up straight away? In terms of expectation management—

**Mr Rynehart:** There will be messaging that is put on the information when they leave their details, and the service will be turned off in the afternoon at the point when we cannot return calls. The other thing is that late in the afternoon it is often a challenge, generally, because when we are reliant on the business units behind the scenes to answer a question they are not always there at 6 or 7 o’clock at night.

**MS CHEYNE:** Increasingly over the past few years we have more centralised things through the 132281 number. Do we have any statistics on whether it has all become more efficient through that centralised funnelling?

**Mr Rynehart:** We certainly have stats on how many calls have come through and the average handle time and the wait time.

**MS CHENYE:** I mean more across government. For example, if I want to find out where a development application is up to I still have to call 132281, wait for four to seven minutes, ideally, and then they need to connect me through to someone else. Surely I could just ring a number directly. What is the benefit in doing that?

**Mr Rynehart:** The 132281 number is not the only number that we have. The benefit of a centralised number is that it is easy to remember for customers and it can be that single point of contact for most transactions. There are still a number of areas in government that have a specific line coming in, and they are across different directorates, but the benefit of having a centralised line is that the customer only needs to remember one line and they can contact us.

One of the additions that we put on last year was called an IVR. I always forget the correct name for the acronym. When you call 132281 it gives you the option to choose the area that you want to speak to, which does channel people down to the appropriate area the first time, rather than having to necessarily hit the general inquiry line and then getting sent somewhere specific. That is always a work in progress and we watch how successful that is and whether people end up in the right place or not to make sure that is working.

We do prioritise the urgent calls over others, those where there is work safety or dog attacks or others where there is a time issue. We do prioritise those. And we tend to get to those within around 45 seconds.

**MS CHEYNE:** I have personally had a marked increase in the number of people who have told me they have reported something to fix my street but it was not actually a fix. It was requesting capital works or a major investment: “Can you please install new equipment in the playground?” or, “Can I get speed humps in my street?” They have been disappointed when they are not getting a response through fix my street and I have to explain that is not exactly the purpose of fix my street. How are we managing the messaging around what fix my street is actually for and getting back to these people who do make those requests for actual budget investment?

**Mr Rynehart:** Fix my street is the front end of a request portal essentially. It is a convenient way for people to put in a request for work to be done and yes, sometimes the requests that come through there are for things that are not actually a municipal piece of work.

The process that happens is that the work comes in through fix my street and then it is allocated to the business unit in whichever area would actually undertake the work for assessment about whether that work gets undertaken. The communication with the customer comes back through the system from the business unit to indicate no it will not occur or yes it has happened.

There is an active piece of work at the moment about making sure that the front end and the back end are better joined, which has been a challenge for some time. We are working with TCCS on getting that information to flow and to be a bit more

automated so that it is not as reliant on people remembering to put things into the system.

It is probably unlikely that fix my street's help would immediately give a response to a customer, "That is actually not something that we will deal with," because it can give guidance around the sort of work and the sorts of requests that come through. But at the end of the day the customer will lodge what they believe is something that they need to have resolved. That will go to the unit who will then make a decision and they will push back out the answer.

**Mr Peffer:** There have been some quite significant changes made to fix my street as a platform within the past 12 months in terms of its look and its functionality which we have seen start to deliver some quite positive dividends. We were talking just before about the wait time in the contact centre. A recent change to fix my street provides a bit of a suburb dashboard where, as people using the platform come through, they can access quite readily some useful information about things that are occurring within the suburb: when the bins get collected or street sweeping and all that sort of thing.

Since we have launched the dashboard 50,000 people have taken a look at it, which is pretty good. It was launched late last year, in October 2017, and the sorts of numbers that we are seeing are: in September 757 Canberrans called us to ask a question about their bins, primarily about collection. In November, one month after the launch, it was down to 522 and by March this year it was down to 380. It has essentially halved the number of calls coming in. People can access the information and see it on their way through. That starts to alleviate some of the pressure on contact centre wait times but it also provides a better experience for people actually using the platform.

**MS C BURCH:** Once fix my street requests are completed, is there any mechanism for letting people know that those have been completed and closed off?

**Mr Peffer:** Yes. We monitor that the jobs are closed, and when the job is closed the system automatically will inform the customer of the outcome, assuming that they have given us an email address or contact details. With all jobs that are closed, the customer is informed of it.

**MS C BURCH:** So they do get an email.

**MS LEE:** I have had feedback from constituents who talk about the inconsistency sometimes with responses to jobs logged on fix my street. What is the process that it goes through, and why is there such inconsistency? I understand that some jobs obviously take longer or may need—

**Mr Ramsay:** Are you meaning inconsistency in time line or inconsistency in the nature of the—

**MS LEE:** Yes, time, and also what they do about it. Suppose it is a pothole. A pothole is a pothole, but on some streets and on some jobs that are logged, it is fixed straight away but in other streets it has almost a murder scene sort of chalk mark for months on end as though they are almost mourning the loss of this pothole that is going to leave the street. I am asking why there seems to be, at least anecdotally, an

inconsistent approach to the way jobs are addressed, if you like. I do not want to say fixed, because sometimes they are clearly not fixed. There seems to be an inconsistency to it.

**Mr Rynehart:** Whether the hole is filled immediately or later is something that TCCS will manage. What I can say is that the information that comes through fix my street is distributed to the relevant business unit that needs to resolve it. Then they have a priority system about how they resolve issues. Our role is to really focus on the customer getting the information that they need coming in and going out and that they are informed of the outcome. As I said, the actual work is not something that I can talk to directly, unfortunately.

**MS LEE:** But in terms of the operational side of things from Access Canberra, there is no difference: a pothole is a pothole is a pothole?

**Mr Rynehart:** Yes. Everything that comes in is distributed into the relevant area. It depends on what the customer chooses, and what they select is something that they want. Then that just gets sent to whichever team is responsible for that. There are various ways that that happens, but it is predominantly automatic. It just comes into the system and then funnels straight through. Then the business unit at the back end does the work. They provide the information which comes back to the fix my street system which tells the customer what the outcome is.

Sometimes that can be manually typed in by a staff member from the decision coming back, which might explain why sometimes the answers look a bit different to each other as opposed to a system pushing out the answer.

**MS LEE:** When somebody has logged a job with fix my street and they have not had a response or it has not been addressed and they do a follow-up query, they are given a new reference number? That is my understanding.

**Mr Rynehart:** I can talk at a high level.

**MS LEE:** Please do; I promise we will understand.

**Mr Rynehart:** If a person comes in and logs another job—if they log a job to say, “There is a hole here,” and it does not get fixed and they come back and log a job again: even though they are coming in under their account, they say, “There is still a hole here”—yes, that will look like another number, I understand. However, if a person contacts us to say, “I have logged this job and nothing has happened,” that will be against the original job. I will clarify that detail. It probably depends on how the customer asks the question.

**MS LEE:** If it is by telephone? Is that what you mean?

**Mr Rynehart:** Yes. If a person rings up and says, “I have this job number X,” we will have a look at it and then give them advice on where that job is up to as opposed to asking if they come back in through the system and log another job. People can go in. When you log a job, a customer can go into their account—people are given an option to create an account when they log the job—and track their jobs in that without

creating a new one. So you can go in and say, “That one is still open” or “It is closed.” When people come back and see a closed job, and they log in another one, that might be where they are talking about the two numbers.

**MS LEE:** Yes. I have had some feedback where people who have had logged jobs have gone back to check and it comes up as closed but it clearly has not been fixed. They have tried to report it again, but instead of it being a follow-up to the first job, it has come back as a new one, which clearly must make things a bit more inefficient, surely. Also, it does not give the full picture of that one pothole.

**MS C BURCH:** The question is: why has the job been closed if it has not actually been completed?

**Mr Rynehart:** I think that there is a difference between closed and completed. I try very hard not to get into terminology. The decision to close a job might be where, if you take something that has been reported, the unit have looked at it and not found anything that needs to be repaired. They will close it off. The customer will not necessarily be satisfied with that outcome. That is as opposed to whether it should have been closed in the first place. Does that make sense?

**THE ACTING CHAIR (Ms Cheyne):** Yes. From personal experience, sometimes a work order has been raised and that is the last communication you get before it gets closed. Then you go back, and you see that it is closed or completed. Yes, perhaps the assessment has been done, but it is that last bit of communication of “Yes, we looked; it is not that bad.”

**MS LEE:** Yes; it is not communicated.

**THE ACTING CHAIR:** “We will keep an eye on it.” That is the missing piece, I think.

**Mr Peffer:** There is some work underway between our organisation and Transport Canberra and City Services at the moment where the government funded TCCS to procure a new asset management system. That new system will have a range of sophistication that the current system does not have and will back-end nicely into our customer side portal. What that will give that we currently do not have is full visibility as a job tracks along: right through the depots, how it gets allocated. At the moment, you have a number that you have logged a job; it sits there and it is kind of binary: it is either open or it is not. In the future, there will be far greater visibility of where that job is actually up to and who is looking at it and who is doing what.

**MS LEE:** Do you have a time frame on that?

**Mr Peffer:** I am always reluctant to put a time frame around ICT projects, but I can say—

**MS LEE:** And we always want them.

**Mr Peffer:** The tender process for that has been completed. I understand that the contract has recently been signed by the director-general of TCCS. I sit on the board

that is looking at actually implementing that, rolling it out. I would imagine that it would be operational within some years.

**MS LEE:** Some years?

**Mr Peffer:** I understand what you are saying, but you are talking about in excess of \$50 billion worth of assets being put onto a new platform with a whole range of information in terms of depreciation schedules, what the current state of the asset is, how to optimise investment in those assets. It is a tremendously large piece of work, and it not only requires the introduction of a new system and some data migration but also there is also a very large job to be done in training hundreds of people who work at the depots in how they allocate jobs and how the system becomes embedded in what is a very large and complex operational directorate.

**MS LEE:** It is a bit of a medium-term thing?

**Mr Peffer:** Yes.

**MS CHEYNE:** I know this is a question for the D-G of TCCS but because you are on the board and you are here I will ask it. Could an asset include anything from a park bench to a tree?

**Mr Ramsay:** Correct.

**MS CHEYNE:** I can see why that is going to take a while. One of the updates to the interface of fix my street means you can see a few things—not everything that had been reported but trees and streetlights, I think, were among them—then people can go in and see if something had already been reported. I understand it dropped off after the first few months. Do you have any feedback about how effective that was? Anecdotally I understand that some people would see that something had been reported and would go, “I am going to report it too,” just to make sure it goes higher up in terms of priority. That is certainly how I think about things.

**Mr Rynehart:** As Mr Peffer mentioned before, we have seen that around 50,000 have had a look at it since we launched it. The number of jobs that come through goes up and down seasonally and changes. I think one of the measures from our perspective is that it is doing something to help customers understand the context. The number of calls that we have seen come through, about things like bin collection, have dropped off a little since its implementation. At this stage it is early days.

It seems that that might be having an effect, by giving people the information that they want and that they need in the front end. Really its aim was to give people an idea of what is already happening before making a decision about logging a job. It was never about trying to minimise the number of jobs coming through. It looks like it is probably having that effect.

**MS CHEYNE:** It is more about information sharing.

**Mr Rynehart:** Yes. It is getting the information out to the customers so that they can make a choice about whether to log it or not.

**MS LE COUTEUR:** First I will start with a follow-up to Ms Cheyne's question about the call backs. Do you have the opportunity to say to people, "Call back," within a time period? Many people are working during office hours and the reason they are ringing at lunch time is that that that is the only time they reasonably can talk to you. If you call back in the middle of the afternoon, it is not going to work. Is that one of the options?

**Mr Rynehart:** It is something that we are exploring. It is partly about the limitation of the system and what we can put in. What we are exploring at the moment is giving people the option to leave a short message. They can talk about what they are calling about. Obviously when they are coming through the general line there might be lots of reasons why they are calling.

We want to make sure that when we call people back we are likely to be able to solve their problem when we call them rather than having to refer them. Certainly that is something that we can include in the message. The system itself does not really have that, due to the drop-down "call back" between these hours. But that is something we can include in that message.

**Mr Peffer:** To date though we have had an 88 per cent success rate at calling people back. It is not 100, which would be a true delight if we landed there. But 88 per cent is not bad.

**MS LE COUTEUR:** I think it is a good idea. I am not going to talk now about times. What I am going to talk about is the fact that I unfortunately get a lot of complaints about Access Canberra as far as your building and planning compliance function is concerned. Sometimes it actually does not appear to be the situation that Access Canberra is particularly doing the wrong thing. It is more that the customer, the complainant, is concerned and has had absolutely no information about what is going on. It is similar to Miss Burch's question.

I know from experience that if you put a simple request in, "My streetlight is not working," you will get a reply. In these instances people are getting maybe silence. Sometimes the only way it seems to get a response is to write a letter to the minister, who will then give it to Access Canberra, who will then reply and send it on to the complainant. That does not seem a particularly good process. I realise it may partly be because you do not see the complainant as your customer. You see the builder as your customer. Can you talk about what you can do for that part of the problem?

**Mr Peffer:** This is obviously quite a complex part of our regulatory responsibility. In responding to a pot hole, there are varying sizes and depths, but a pothole is a pothole. The sorts of complaints that we tend to get around matters of planning and construction often are very complex. Some of them are quite simple. They might come through and they might be, "I thought I was getting a maroon splashback not a purple one." They are okay, and we can deal with them through Fair Trading or other means.

Some of the complaints might be about the structural integrity of a slab or might be about inadequate fireproofing or waterproofing in a set of units. That is not something

where we can within a week, say, “Here is the course of action.” When we are brought into the process—it may be that an owner has called or an individual has gone out and sought their own advice from legal representatives and also construction or engineering specialists about certain things and it is often the case that if you approach three engineers you get four opinions about what the issue might be and how to resolve it—when we approach these complaints, some of them, rather unfortunately, have quite a long lead time.

We recognise that that is not always ideal for people who are having to live in a situation where perhaps there is water ingress into their property or perhaps they are worried about safety or how something is performing. The complexity certainly adds to the time factor of how we are able to respond. I might ask Mr Green to provide some more specifics.

**Mr Green:** Certainly we do recognise that it is important that complainants get information quickly. One of the things that we will be working on over the next 12 months is a rapid regulatory response model. I think what we have established through our experience over the past couple of years, as Mr Peffer has explained, is that a lot of these matters are complex. Particularly in the building space; we have got a performance-based code in the Building Code of Australia. It is not a rules-based scenario. We do deal with situations where there is ambiguity, where there are multiple differences of opinion about what the issue is and what the appropriate regulatory response is.

In terms of our approach, we need to consider what our principles are in terms of the response that we take. Is our action proportionate? Is our action effective? Are we being constructive in getting outcomes for citizens? Certainly as the regulator we see citizens as a customer and, for me, my focus going forward is about trying to be a bit more rapid in how we deal with these matters, noting that in some matters there are high levels of complexity.

In terms of the work that we have done this year alone, in the past 12 months we have resolved 221 complaints and we have currently got 282 cases under investigation. It is a high workload and we prioritise our resources to do that. Of course, there are always opportunities to improve and we are looking to do that in terms of the way we engage with citizens who have got building quality issues.

**MS LE COUTEUR:** I guess I did not make my question or point very clear. I totally appreciate, as do I think all the complainants, that this area is a lot more complicated than potholes and lightbulbs and there are multiple parties and multiple views involved. The point that I was trying to make was that in a number of instances the complainant would in fact have been—“happy” might be pushing it—reasonably satisfied that Access Canberra had done the right job, if they had known what Access Canberra had done. That is where, in these complicated ones, part of communication seems to be falling off.

**Mr Green:** I acknowledge that and I think we are working towards increasing that visibility for complainants about the actions that we have taken and also the actions that we will not take in particular matters.

**MS LE COUTEUR:** I also note in your accountability indicators you actually do not have anything much, or at all, about complainants. Maybe I am looking in the wrong place. Do you track response time and complainant satisfaction? They would be things that I would have been expecting that you would have been tracking. Am I looking in the wrong place and have missed them?

**Mr Peffer:** In addition to what is in our accountability indicators in the budget, through our website if you go through the about us section, we actually then break down by sector all the compliance activities that we do. For instance you can go in and have a look at what we are doing on the construction front or WorkSafe or anywhere else.

The reason we do not have a target of what the response time is to one of these matters is that there are some construction matters that we have worked on that have taken literally years and it might take us 12 months or 24 months to get to a point where we take some enforcement action, which is then appealed and we are through the courts for a number of years following that. For us to say a reasonable response time is 10 days on average would be really quite meaningless. That might mean something in certain areas but across the board, for us as an organisation, it would not have much meaning.

Separate to our accountability indicators we have something called our accountability commitment, which is a cabinet-endorsed document about how we operate as a regulatory agency. That commitment talks about principles around transparency and how individuals who raise a complaint with us can expect that we will engage with them.

I think Mr Green made the point that we are always looking for ways that we can improve to provide greater visibility and we recognise that, where a complaint is made and the complainant waits to hear for a number of months, the expectation around what the regulatory response might be grows. And it keeps growing. If that takes a year, there is an expectation that there will be this enormous regulatory intervention at the end, which sometimes is not the case. It is not where it lands once the investigation is complete. I think we are very mindful of that.

Part of the boosting Access Canberra initiative, which the government funded this year, includes two additional team members for the building investigations team. Mr Green talked about the rapid fire response. This will contribute in terms of better communication but also in moving these matters forward as quickly as we possibly can to try not to leave our complainants out there just wondering what is happening.

**MS LEE:** Dare I move away from fix my street and Access Canberra to parking enforcement? How many parking infringement notices have been issued in the 2017-18 year period as a result of detection by vans with the mounted licence plate recognition cameras?

**Mr Green:** In relation to the total number of parking infringements issued, I think it is good to give a bit of analysis of where we were last year with foot inspectors and to look at where they have landed with the introduction of the licence plate recognition program. In the past year, between 4 December 2016 and 4 June 2017, we issued

40,742 parking infringements. They were issued on foot without the inception of the LPR system. Since then there have been 46,379 infringements issued for 4 December 2017 to 4 June this year. Of that, 9,727 have been issued via the LPR system.

**MS LEE:** Out of the 9,000 issued by the LPR, how many have been revoked, rescinded or otherwise cancelled?

**Mr Green:** In terms of the number of the infringements that have been revoked or cancelled using LPR, I will need to take the exact number on notice.

**MS LEE:** Sure.

**Mr Green:** Certainly we have seen, with the introduction of LPR, an increase in compliance. And it is important to note that LPR has been used in a number of areas, particularly around schools, where we see that the protection of children and poor parking practices are causing concerns out there for citizens. We saw some of that playing out in a number of schools over recent periods. We conducted a program to look at that. One of the areas was Palmerston primary school, which I understand had received some attention. Welcomely, there has been a change of behaviour of parents and citizens who are dropping children off in those schools, parking in more safe areas.

**MS LEE:** Given that you are taking the numbers on notice, can I also ask—and perhaps this is also on notice—how many of the notices that were issued were challenged compared to how many ended up being revoked, cancelled or otherwise dealt with, and how many refunds were issued for those?

**Mr Green:** Yes, I am happy to take that on notice.

**MS LEE:** Thank you. How many vans are currently in use, and how many more will be deployed in this coming year?

**Mr Green:** At this point in time there is one van that is in use. There will be a second van on the road shortly. As part of the budget initiative announced by government, the allocation of additional resourcing will result in two additional licence plate recognition cameras being on the road.

**MS LEE:** You might be aware that there was a recent *Canberra Times* article about Civic and Phillip being the hotspots, if you like. Is this because the van is in those locations more often or is it just because the people who park in Phillip and Civic are more derelict in their duty?

**Mr Green:** I would not want to comment on people's behaviour. When we look at parking, we have to look at the reasons why we enforce parking. A lot of that comes down to three main areas. The first is obviously around safety, making sure that instances of parking activity do not pose any safety risks. That is why we target areas like schools. We target events that may be occurring. One of the other components that we look at is around public and business amenity, ensuring that where there are timed parking zones, they are freed up. It may be the case that people are overstaying in those zones and that is where the increase is. Particularly around city centres and

group centres we do see timed parking areas. Whilst I cannot give you a definitive answer as to why people behave in a particular way, the likelihood of being infringed in those areas is higher.

**MS LEE:** There are a lot more businesses around there, I suppose, as well.

**Mr Green:** That is exactly right.

**MS LE COUTEUR:** I want to go back to the intersection between fix my street and parking. I often have people complain to me that this is a hotspot for poor parking. I say, "Let the government know because they have people who will come and look at your hotspot." Is fix my street the way they should let you know that something would be a very fertile ground to go to?

**Mr Peffer:** I suppose it is one avenue. It is one of many. We look to the community for intelligence about where they feel there are particular hotspots, either around schools or in other areas where there might be vulnerable road users or safety impacts. I guess the minister will receive correspondence if people feel that there are particular suburbs that need additional attention. But one thing I would say, Ms Le Couteur, is that the correspondence is usually split fifty-fifty: 50 per cent of people wanting greater attention in the area, and 50 per cent being those who have been infringed and who are wondering why there is that greater attention in the area. If we run at fifty-fifty, perhaps that means we have got the balance right. I do not know.

**MS LEE:** Keep no-one happy.

**MS LE COUTEUR:** My question actually was: if you are aware of an area where there is a parking problem, what is the best way of getting intelligence to you? You rely on intelligence. What is the best way of getting the intelligence to you?

**Mr Peffer:** Any of those avenues. Certainly fix my street has drop-down menus that have parking where people can report that to us. That is a useful way of doing it.

**MS LE COUTEUR:** That is what I thought, rather than writing to the minister. Quite a few of the people who have complained to me are complaining about parking on verges. As we all know, this leads to the death of street trees or, if not immediate death, at least lack of thriving by the street trees. I noticed that it was not one of your priority issues but, nonetheless, in terms of keeping Canberra's urban forest alive, we have to keep cars off the roots of the street trees. How are you prioritising this? I am thinking particularly of instances such as in Reid, where often people are parking there every day on a regular basis. It would be cost efficient, you would think, to have more regulatory activities.

**Mr Green:** From the outset, let me say that we take the view that we would like to respond to every notification of illegal parking that we get. To manage that, we have a risk profile in terms of what is high-level importance. In terms of our matrix around that, that is about safety and whether that behaviour poses a safety risk. Where there is an example of parking on a verge, and as a result of parking on the verge there are impacts in terms of visibility with traffic, we aim to get an immediate response out to those matters. Where there is ongoing parking on street verges—I note Reid is a

heritage area and there are some heritage protections that are in place in a number of these areas—whilst it is not high as a priority, it certainly does fall within our remit. Our aim is to get out to those matters within five business days.

Whilst there is not as much visibility in terms of those matters, our risk approach means that we are spending a fair chunk of our immediate response time in areas where there is a threat to safety in the first instance.

**Mr Ramsay:** Can I just add that one of the things to note, and for constituents to note, is that, especially if parking enforcement is done through the vans, you do not end up with a little yellow envelope. It may well be that there has been regulatory action in terms of parking compliance, but as you walk past and are frustrated by a particular car, you do not realise that they have been picked up and the penalty has been mailed out rather than put on the car itself.

**MS CHEYNE:** I appreciate that people are potentially not doing the right thing and maybe they should be punished every day. But if someone genuinely does not know the rules, is there a delay in the time before we go through the same area again?

**Mr Green:** Yes, and it depends on the situation. As I mentioned earlier, if there is an immediate safety risk that period might not be available. But particularly where the licence plate recognition cameras are in use we try not to go back to areas to give them sufficient time—whether that is two to five days—to receive their first notice for the offence.

We look at the education campaigns and we have engaged with the education sector. We have sent some messages through schools about road safety and ensuring that parents take the time to find an appropriate place to park and consider the other citizens dropping their children off to schools and working in the area. It is about that engagement activity first off and trying to educate the community and, where required, issuing infringement notices.

**MS LE COUTEUR:** How do you deal with the licence plate recognition and disabled car parking spaces, or is that in the too-hard basket?

**Mr Green:** At this time the licence plate recognition cameras are not picking up disabled parking permits. The disabled parking permit is a paper-based permit. However, there is a budget initiative relating to disabled parking permits to undertake a feasibility study for the implementation of smart mobility permits. That initiative will try to reduce instances of fraud and also integrate with the licence plate recognition technology.

We see significant issues around the existing permits with fraudulent use. There have been circumstances where a person has been deceased and the permit continues to be used, so measures are in place through the infringement process to respond to that. If someone is using a disabled permit and they are not the permit holder there is an infringement of \$114. If they are parking in a disabled space the infringement goes up to \$600, so there is a disincentive for people to flout the law.

What we are hoping to achieve through this feasibility study is to look at some options

and assess what technology is available for us to digitise the permits. We have had some preliminary discussions in relation to this. Other jurisdictions, Rockhampton for example, are looking at this matter as well. There is some wireless technology such as radio frequency identification and bluetooth that we will explore as part of this process.

**MS LEE:** Do you have stats on how many people have been issued with infringement notices for parking in disability spots? I know there has been a stark increase in the fine; has that started to act already as a disincentive.

**Mr Green:** In terms of where people are parking, we are not able to split whether an offence was in disability zone or not, but I will see if I can find out some information. Some of the best information we get is from our inspectors themselves in terms of what they are seeing. I am happy to provide on notice some information about what we are seeing.

**MISS C BURCH:** Do you have any data on the uptake of the Parkmobile app versus people paying for paper parking tickets? How many infringements have been issued under the app, and how many have been subsequently revoked, rescinded or contested because they were incorrectly issued?

**Mr Peffer:** We will have to take on notice the specific number around the uptake. My understanding is it was around 8.5 per cent shortly after it had been introduced a number of years ago, and I expect that has continued to grow. Perhaps the rate of growth has slowed a little now that we have offered the opportunity for people to tap and go. That has been a very popular shift across the city in terms of a method of payment. The uptake of that has been far quicker than we anticipated. It is very quick and easy to do. It is not just for parking payments that people are seeking to use that; it is in our shopfronts and other places as well. We will take on notice the exact number around uptake.

**MS CHEYNE:** Access Canberra and government generally are quite good in terms of open data. The mobile speed camera visits and stays data is sent to the ACT website and is uploaded regularly, which personally I find fascinating. Why are mobile speed camera visits mostly no longer than an hour or an hour and a half, and will we be sending through data on the LPR to this site? I think that might also be of use to some people in the community.

**Mr Green:** On your first question around speed camera operators, that primarily relates to an occupational health and safety matter where they are sitting within a van for a period of time. It takes a little while to set up a van in terms of calibrating the equipment, making sure it is operating and ensuring the van is parked in an appropriate location. The reason it is an actual period is to ensure our staff are afforded the breaks they need when working in that confined space. The other component is that we are able to respond to other road safety issues and target more areas by moving our vans throughout the territory.

In terms of the second question, I am happy to explore that as an option. I do not see any reason why we would not be able to provide that information if it is easily able to be extracted and presented.

**MS ORR:** I have a question about building and construction. Can you outline how the implementation of the building licence changes introduced by the ACT government is going?

**Mr Peffer:** This announcement by the government recently comes off the back of a trial that was introduced about 18 months ago for C class building licence applicants. One of the concerns we have as the regulator is about the general level of competency of people who hold these licences, notwithstanding, of course, the fact that they have obtained a qualification and that many of them at the point of application have experience in the industry.

Given some of the problems we have seen in building quality across the territory, we felt that there should be an additional control in place really to test the ability of applicants to take the national construction code and apply it to scenarios that we would expect they would reasonably be presented with on construction sites on a day-to-day basis to enable us to assess whether they are able to do that to a standard that we believe is necessary to uphold building quality in the territory.

Following the introduction of that pilot and the results that we started to see—a 48 per cent failure rate on the first attempt and a 44 per cent failure rate on the second attempt, with many of those applicants then unable to obtain a licence despite having the qualification and some experience—government took the decision to expand that licence examination to other classes of building licences, the B and A class licences, and also to look at the existing stock, the thousands of existing licence holders we have operating in the territory, and hold existing operators to a similar standard that we are expecting for new entrants into the market.

The recent announcement from Minister Ramsay and Minister Gentleman jointly essentially put industry on notice to say that at the point of renewal, commencing 1 January 2019, we would look at one in five licence holders who are seeking to renew. We would look at submitting them to an examination in line with the building code to test whether they are competent and capable of taking the construction code and applying it to various building scenarios that different classes of licence would be subjected to in the industry. They will obviously have a couple of attempts at that. If they are unable to pass that examination, then the renewal of the licence will not occur.

One of the things we have to be conscious of in the discussions we have had with industry throughout this is that, yes, there are people operating in the territory today who perhaps have not come to the attention of the regulator for anything bad, and that is terrific. Our focus around the application of the examination will be to apply a risk-based approach. In the first instance we are looking at those licence holders who have come to our attention for a range of building quality issues that we are now dealing with.

My understanding is that we wrote to around 270 licence holders in recent weeks putting them on notice that they are on our list where we have substantiated building complaints: not just allegations that we have investigated and determined to be a maintenance issue, but substantiated complaints. We put those licence holders on notice that they will be part of this examination process. We will be testing their level

of competency with a view to upholding a high standard for those whom we do renew licences for.

**MS ORR:** I have a few questions. For the record, can you run through what C class, B class and A class buildings are so we are clear on that?

**Mr Peffer:** Certainly. A class C builder is entitled, in technical terms, to construct class 1A and 10A buildings. What that means is single dwelling homes and other structures like sheds, garages, carports and the like up to a limit of two storeys.

Class B builders can construct those things up to a limit of three storeys but also other building classifications; so all the commercial buildings, community-type buildings. Class A is in effect an unrestricted licence in terms of what can be built. I think it is important to note that there have been a number of administrative, regulatory and policy changes in the construction space over the past few years. One of those changes in the licensing space has been to do some further critical analysis of the experience that building applicants come to us with.

Our approach has shifted to issuing licences only where they have demonstrated that experience on a particular class of building. Previously, builders who could demonstrate two years of practical building work experience and who had a relevant qualification would be offered the licence. We are now tightening that up and issuing conditions on the licence to limit the ability of builders to undertake projects where they do not necessarily have the experience.

**MS ORR:** We are actually covering quite a range of building types with the changes to licences. Are there any building types that are not covered by those changes?

**Mr Green:** At this stage there are D class builders. The responsibility of D class builders in terms of what they are authorised to undertake is basic building work, things that are not structural in nature. That could include internal fit-out work, non-structural pergolas and things of that nature.

**MS ORR:** I wish to follow up on the relationship between the qualification and the practical experience. You have mentioned that people would need a qualification. But with the focus on the practical, what is it that you are getting at there and how is that anticipated to improve the result? Can you give a bit more detail on that?

**Mr Green:** Looking at licensing in the construction space, there has been a suite of changes, as I have previously mentioned. The focus in the construction licence for builders has always been on two core elements. One is around the qualification. For a C class builder that is at a certificate IV level. B class is diploma and for an A class we are talking about degree level qualifications. So it is not insignificant in terms of the effort an individual in effect needs to go to in their education sphere to be able to get that first checkpoint ticked off.

The second component is about demonstrating building work experience and that building work experience being verified by another licensed builder who has supervised or observed the work. Previously, what we have wanted to see is a demonstration of that. It was in May 2016 from memory, or maybe earlier—I would

have to double-check the time frame—that we looked to bring that into a more competency-based process where building applicants needed to demonstrate competency across a number of things, whether that is from the administrative perspective, whether that is, in part, managing contracts.

But one of the key components, and what the whole construction law is prefaced on, is about doing building work, the physical thing of building. That is why we made some changes around that to increase the scope of what we wanted to see in terms of that manual building work and a demonstration of how an applicant has done that over the course of their learning period.

**MS ORR:** Do you mean that the work we are testing for is not necessarily covered in the formal qualifications a builder would have?

**Mr Green:** No, the qualification gives you an understanding, describes the principles, goes into some level of detail, depending on where you sit on the scale of qualification. Then generally what happened—this is one of the changes in the mandatory qualification schedule—was demonstrating experience post the qualification. At least one year of your experience needs to be post your qualification.

I suppose what we want to see is a shift in the way that people are coming to the industry. The examination itself tests an applicant on what they have learnt, what they have experienced. It will look at things like understanding the context which a builder needs to operate in in the territory, understanding the licensing laws, understanding the builder responsibilities, understanding that, for example, the owner is responsible for appointing a builder certifier in the territory.

But it will also look at things like compliance with the building code and testing their technical understanding about how they apply what they have learnt, what they have experienced out in the field effectively. This is through the examination process.

**MS ORR:** Okay. I am sorting through this in my head. The C class licence trial has been in place for a while. Then, on 1 January 2019, when you come up for renewal, you will now be tested if you are Class A, B or C.

**Mr Green:** There are two components here. Yes, the C class licence exam has been there for a while for new applicants. Within the latter half of this year the licence exam for new class B and class A applicants will be introduced through mandatory qualifications, as was the case with the C class. From 1 January next year, that is where we will look at the renewal of licences.

**MS ORR:** How often do builders have to renew their licence?

**Mr Green:** There are two options currently available: three years or one year.

**MS ORR:** In respect of the targeting, you said that you have written to people who have had a substantiated claim made against them. Obviously, this is the first time it will be done as part of the renewal process. But is there an intention to continue to monitor that and—

**Mr Peffer:** The approach that we take is that we have given a commitment that one in five at the point of renewal will be examined. I guess there has to be some science behind who we actually select to put through the examination. If we just randomly targeted it, we would be targeting plenty of great builders who are out there doing the right thing where government intervention is not required because they know what they have got to do, and they are doing it.

What we are attempting to do is to say to industry, “Look, we recognise that there are a lot of great builders doing the right thing. That is terrific. What we are going to target is those who have demonstrated that they have a problem with some element of competency in actually undertaking the building work.” And that will be one in five at the point of renewal.

**Mr Green:** I think the other thing to keep in mind is that this examination process is just one of the reforms. EPSDD have done a significant amount of work on reviewing the legislation. A number of reforms have already been introduced with a number to come. The licence examination is one of those.

But one of the other components—auditing work and compliance work feed into the policy setting—is around minimum documentation requirements. There are minimum documentation requirements for those building single dwelling homes. EPSDD have indicated that that is an area that will be explored over the next little while. We will also be looking at codes of practice for builders and building certifiers as well.

Knowing the industry, there is no silver bullet, if I can put it that way, in terms of dealing with building quality. There needs to be a raft of reforms to address the issues that we have out there.

**MS ORR:** Is there some sort of list that shows which building licences have been subject to disciplinary action?

**Mr Green:** Yes. There is a list published on the Access Canberra website of disciplinary action. The disciplinary action there will relate to things like where rectification notices have been issued or other disciplinary actions taken in terms of someone’s licence. The information remains on that register for a period of 10 years. There are circumstances where an applicant can apply to have that removed, but we have not received an application.

**MS ORR:** Can you just repeat how long it stays there? I did not hear.

**Mr Green:** Sorry. The disciplinary register is available on the Access Canberra website. The information remains on that register for a period of 10 years. There is an opportunity, in some circumstances, where a licensee can apply to have that information removed.

**MS ORR:** How often is the list updated?

**Mr Green:** The list is update daily if there is a need to update it daily.

**THE CHAIR:** What is the format of the test? Is it written, oral, multiple choice?

**Mr Green:** EPSDD are finalising what the test looks like. I am not 100 per cent certain what the final product looks like. What I can say is that the class C building licence examination is a written examination.

**THE CHAIR:** What opportunities are given to existing builders who are, let us say, not extremely literate in written or read English?

**Mr Green:** That is one of the considerations that we will need to work through. We will work with EPSDD on what this looks like. In our experience with the class C builder licence, that has not come up as an issue. Generally speaking, particularly with new applicants coming into the market, there are some minimum requirements to undertake a qualification, one of those being an English test, so we have not seen it perpetuate through the new applicant process. But I take your point on that.

**THE CHAIR:** I am aware of some A and B class holders that are going to struggle to read a test.

**Mr Green:** Yes. That is something we will have to work with EPSDD on.

**Mr Peffer:** If that were to become a problem, we would be open to translation services to support people in undertaking that test.

**THE CHAIR:** For B and A class licences, what is the focus of the exam going to be? You mentioned that the C class is looking at practical scenarios that they are likely to encounter on a site. Is that going to be similar for A and B?

**Mr Green:** EPSDD have not finalised the content yet, but my understanding is that we will be looking at things like the application of the building code and understanding of the responsibility of a licensee, through interpretation and applying particular parts of the Building Act or the building code to scenarios.

**THE CHAIR:** In many instances, particularly for the larger class C builders, as well as, I would suggest, most A and B class licence holders, they are not necessarily the ones on the site on a day-to-day basis; they have supervisors and foremen carrying out that role. Is there a view to further broaden the licensing to those positions?

**Mr Peffer:** This is one of the considerations for us as a regulator. The content and the structure of the exams is something that has been developed through reference to the building regulatory advisory committee as well, which is industry representatives from the MBA, HIA and other areas—architects and so forth—who have assisted us in actually designing a test. It is helpfully designed by practitioners in the industry who are current.

One of the challenges that we have at the moment from a regulatory perspective is this issue of supervision on site. I have spoken to a number of A class holders in the past couple of months about the challenges of where you are building a \$100 million building, an apartment tower and you have a range of experts who advise you on all sorts of structural and engineering matters, hydraulics and so forth. As the builder, at times, you can find yourself more in the site shed or back at headquarters looking at

Gantt charts than actually on site.

From a regulatory perspective, that is a problem. The problem for us is that the building is being built under a licence holder's name and under a licence for someone who supposedly has the qualification and is putting their name to a building that is being erected. If the supervision is somewhat limited or non-existent, we see that as a bit of a problem. From the discussions that we have had—I accept that industry has headed a certain way where we have site supervisors who may do the day-to-day running of the actual build and a builder who may not be on site all that frequently—that is something that I think we will have to work through in the licence examination and how that knowledge, which is presumably the underpinning of an approval being granted and the building coming out of the ground, is actually applied on site through supervision.

**THE CHAIR:** And the testing parameters? How are they going to be applied to company licences?

**Mr Green:** In terms of companies, to hold a company licence you need to have a nominee.

**THE CHAIR:** Yes, the supervisor.

**Mr Green:** That nominee needs to be licensed in that construction occupation. We will need to explore what that looks like and how we will apply that. It is quite clear at the moment in the Building Act what the role of the nominee is, and certainly the role of the nominee comes down to the doing of the work and the supervision of that work. There is a responsibility there with that person to have the technical knowledge and skill, and it may be the case that they are the ones who would be subject to the licensing examination.

**THE CHAIR:** What is government looking for as far as an improvement in construction standards or quality off the back of this measure is concerned?

**Mr Green:** From our perspective as a regulator in this space, it is not our goal to go out there and be taking a large share of the licence holders out of the market necessarily. There are some licence holders whom we would look at, and I think our preference would be that—

**THE CHAIR:** Industry would agree that some people do not deserve to hold a licence.

**Mr Green:** That is right, and a lot of the feedback that we have had often comes back to this principle of equity. As a regulator, there is an expectation of equity across or within a market. People want to see that the same standards that they are applying on their site, where they are complying with the code and they are using the right materials and the right supervision techniques, are then replicated on other sites. Where that is not the case, often we have complaints where it is one builder dobbing in another, saying, "Look, I am performing to this standard."

**THE CHAIR:** I guess it comes off the back, though, of not so much the practices of

the builder but what the certifiers are happy to sign off on?

**Mr Green:** That is certainly part of it as well, but from our perspective around the examination, we have had some good discussions already with some training providers in the territory who are now gearing up, because there is interest from licence holders coming forward, saying, “Look, it is possible I might have to sit one of these exams, so now I want to make sure I am up to spec on things like disability access, the latest in the code, solar provisions, matters like waterproofing, whatever the new products are and the performance-based metrics.”

It is very positive when the industry itself, particularly those who may be aware that our focus is now on them and their capability—270 are certainly aware—is taking proactive steps to really equip themselves with the skills so that they can undertake building work to a standard that we think the community is expecting of an industry.

**MS ORR:** Licensing is one aspect of this, but I think it was Mr Green who said that there is no silver bullet in this area. Can you run me through what action, or what other action, in addition to the licences, has been taken in this budget to increase oversight of construction sites?

**Mr Green:** Just to be clear, what is planned or what has already occurred?

**MS ORR:** Both, if you are offering.

**Mr Green:** Sure. In terms of what has already occurred, I can broadly say that EPSDD and Access Canberra have undertaken a variety of reforms through legislative amendments. There have been a number of amendments to the Construction Occupations (Licensing) Act. One of those significant amendments is about trying to prevent phoenix behaviours and restrict the ability of someone who has wound up a company from being able to be eligible for a builders licence, or a licence under any of the construction occupations, for that matter.

In terms of where we are going forward, certainly from a regulatory perspective our role is to engage with industry, to educate them and to enforce where that is necessary. From my perspective we are going to be having a focus on citizen engagement, making sure that the information is available to citizens so that they can make informed and better decisions about how they interact in the building process but also to support licensees in understanding what their role and responsibilities are. Mr Pepper has highlighted that there are some training organisations that are already taking that opportunity.

Certainly where there are systemic issues I will be looking at using the powers that I have as construction occupations registrar to direct training in particular areas. I think that the work that EPSDD has been doing over the past couple of years, and will do certainly going forward, has highlighted that there is opportunity. Some of the work that we have done includes the C class licence exam, we are doing the A and B class licences exam.

EPSDD are working on minimum documentation guidelines for new building approval applications. Importantly, there are provisions within the licencing law

around codes of practice, and EPSDD are looking at delivering codes of practice for builders and also building certifiers—noting that the role of building certifier is not to supervise a building project; they are there at various critical stages throughout the build to determine compliance—to support that approach with training for building certifiers and other people within the industry.

There is certainly a lot of work underway, a significant amount within EPSDD, about making improvements to building quality and certainly the work that we are doing in the proactive compliance space with our programs and also in the way that we interact with industry.

**Mr Peffer:** I will just add to that as well. The government did provide some additional funding for us to boost those front-line services and part of that, I think I mentioned before, is two additional team members in our building investigations team. Our target for those two additional team members is to resolve a further 80 historical complaints this side of Christmas. That is the target that we have set in terms of complaints that we have currently got on our books.

One of the things occurring as well within our organisation is a far better feedback loop from the complaints and investigations side of things to our actual proactive inspection regime. Recently there has been a data-matching exercise where we have looked at cross-referencing those builders' licence numbers that have a substantiated complaint against them to approved DAs and BAs in our e-development system so that we can actually capture, at the point a live build is occurring, a licence holder who has had a complaint against him. The team is out there now applying some increased focus to those builders on site, attempting to resolve matters early if we do identify problems or take compliance action if we need to.

**MS ORR:** I will come back to that but I want to pick up on something that Mr Green said. You made a comment that the certifiers do not do the inspection of buildings; they are there for critical points. I think this is something where the community understanding is not quite spot on. There is a perception out there that the building certifier is doing the inspection. I want to clarify: who is doing the oversight of the building if it is not the certifier? Can you start to address that?

**Mr Green:** I think there is a nuance here and, to be clear, the role of the certifier does involve doing inspections. The difference is that the role of the certifier is not to supervise the building work from go to whoa. There is a level of responsibility that is attributed to the builder to make sure that they are building in accordance with the approved plans, whether that is a building approval or a development approval, building in accordance with the Building Code of Australia and associated standards.

Where the certifier's role sits is within those critical inspection stages. For a single dwelling building, for example, they are there at the footing stage, they are there at the slab, they are there at framing and they are there at pre-sheet and final. But they of course have the option to do additional inspections as they see fit. The point that I was making is that the role of the certifier is not as supervisor of the building work, it is to assess compliance at points within the construction project.

**MS ORR:** I just wanted to clarify that. Going back to the proactive inspections—to

use your phrase—they are going to be focused on complex historical cases. Did I hear that correctly?

**Mr Peffer:** We have been funded for two additional team members in our building and planning investigations team. One of the challenges that would be set for those team members is to tackle an additional 80 historical complaints, ideally before Christmas this year, to clear them off the books.

One of the things that that team has been working on, as well as our complaints management team and our planning shopfront focus, is to actually data match where we do have complaints against a licensed builder and identify it early in our system that is issuing approvals—certifiers can issue a building approval for a build to commence—so that it then goes into our proactive inspection scheduling so that the team gets out there during the build.

Our accountability commitment and also our compliance framework for building and construction obviously place some of these builders into a higher risk category in terms of things that could potentially go wrong, based on historical evidence that we have got. That is why we have got that additional focus.

**MS ORR:** Is it fair to say that the proactive inspection regime will be gearing up a little in the future?

**Mr Green:** It is fair to say that we have got a proactive inspection regime, and being in a proactive space in the construction sector is quite difficult because of the ability to know where a particular building is up to in that build cycle. The way that we have approached it previously was to engage heavily with the industry and to visit them where they are at in terms of their building project.

What Mr Peffer was explaining was some of our more targeted programs. One of our programs is looking at utilising that information, where we have had substantiated complaints, to target a program and look at those builders on all the projects that they have currently got active at any point in time. There are other programs that will be rolled out over the next financial year.

**MS LE COUTEUR:** We started on certifiers and the general issue of building quality. Last budget you were allocated money for building audits and building certification reform, building regulation reform. My question is: what progress has been made on the panel of independent auditors and mandatory annual audits for building certifiers?

**Mr Green:** I understand that that funding allocation was primarily to the Environment, Planning and Sustainable Development Directorate and they are currently working and continuing to work on a new auditing system for building approvals and building work. They will need to do some further consultation around that but it is probably a more appropriate question for EPSDD. I do not know the detail in terms of where they are up to.

**MS LE COUTEUR:** It is very much what you have been talking about.

**Mr Green:** Yes, certainly.

**MS LE COUTEUR:** We assumed it was your subject matter and would be part of your bailiwick.

**Mr Peffer:** It is certainly a key area of interest for us, but we are working alongside EPSDD on that initiative. We have recently sent an expert in fire engineering and an expert in the building code across, seconded them, to the team that is doing the work to actually design the program and bring this up to spec so that we can kick it off, I think in the next 12 months. Some of our team is actually in the planning directorate at the moment working on that.

**MS LE COUTEUR:** They are doing the design work but when it is actually being designed it will come to you or?

**Mr Peffer:** I think that is a discussion that we will have but it is likely that that may be the case.

**MS ORR:** Mr Peffer, just for clarity's sake, because I think this is a bit of an ongoing issue, where do EPSDD's responsibilities end and where do yours start?

**Mr Peffer:** If I cast my mind back to 2014 and the discussions that were held about actually building this agency and putting it together, the Chief Minister was very clear at the time in his view that often when you ask regulators for advice on policy matters they will give you a regulatory solution and that often there were perhaps a range of ways that you could solve a problem that did not always involve additional regulation or additional inspectors and so forth. That was certainly one of the informing principles, I think, when he conceived this idea of Access Canberra.

As the agency came together we went through quite an extensive process not just within EPSDD but even within CMTEDD, JACS and others to look at separating out almost on a team-by-team basis those FTEs with some level of policy responsibilities versus those who actually had operational responsibilities, with a view that those informing ministers about policy decisions should be separate to the operational arm.

However, Access Canberra then settled a range of MOUs with each of our policy directorates that talk about how we engage with each of those directorates, making sure that we do not just sit downstream from policy decisions that cannot be implemented or cannot be implemented in a way that would achieve the objectives of those policies.

In terms of our relationship with EPSDD, the point at which responsibility is transferred from them to us is really a line around where policy stops and implementation or enforcement begins. Under the wealth of legislation that we have responsibility for administering, the power for inspections or registrations or licensing or enforcement activities sits within our organisation and within the very statutory office holders that we have and the decision-makers that we have, whereas the responsibility for actually settling the policy and the direction on some of the policies—and the auditing of certifiers is a good example of that—actually remain with EPSDD until we are at that point where we actually kick things off.

**MISS C BURCH:** I would like to go back to driver licence suspensions. I would just like to know what systems are in place between jurisdictions in order to notify Access Canberra of outstanding traffic infringements in other states.

**Mr Peffer:** Our road traffic authority works quite closely with our counterparts interstate. When we receive licence applications, there is a process that we go through, not just in our shopfronts but also in our assessment team, that looks at a range of issues that might arise in other jurisdictions that might be prompting someone to seek to move their licence.

One of the early safeguards that we have in place, as an entity that issues licences, is that at the point in which someone enters one of our service centres, we require them to actually justify that they do reside in the territory. You cannot just bring in your New South Wales details and seek to obtain an ACT licence; we require evidence, through utility bills or whatever it might be, to justify that you have legitimately moved to the territory before we will move a licence across.

There is also a back-of-house process that checks the demerit point situations with corresponding licences in other jurisdictions. I might ask Mr Green to expand on that.

**Mr Green:** The traffic licensing system or road transport system relies on a national database called NEVDIS. As Mr Peffer has explained, our approach is to make sure that we are not issuing a licence to someone who is suspended, cancelled or subject to other matters, through an interlock program for drink-driving, for example. They are not issued a licence within this jurisdiction.

We occasionally see circumstances where people want to jurisdiction shop to be able to obtain a licence, but the processes that we have embedded within service centres at the front end to check for residency, and also through running it through the national database, are a robust system and ensure that we are not getting circumstances on a regular basis where that occurs.

**MISS C BURCH:** That is when people first apply for a licence here. What about for those who have an ACT drivers licence and may incur traffic infringements interstate? How do you ensure that the system is providing accurate information, up-to-date information, before their licence may be suspended?

**Mr Rynehart:** There are various outcomes that may occur where someone commits a traffic infringement in another jurisdiction. Most commonly, the person's right to drive in the jurisdiction where they committed the offence is what is impacted, as opposed to their ACT driver's licence. We routinely check to ensure that people are entitled to be licensed in the ACT, and we receive the information around offences, but the impact on the person is generally in the jurisdiction where they committed the offence.

**MISS C BURCH:** If I, for example, had a number of outstanding offences in New South Wales, my licence should not be suspended in Canberra?

**Mr Rynehart:** I do not believe so, no.

**MISS C BURCH:** And in the case that it is incorrectly suspended in Canberra, what is the process through Access Canberra for addressing that and for correcting that error?

**Mr Rynehart:** Rather than talking about generally interstate offences, because it is a more complex issue, let me say that the process that we go through when a person is likely to be suspended or cancelled is that they are notified initially of the offence. Take a parking infringement: you receive the initial notice to say that you have got the parking infringement; you then get a follow-up notice which has an increased penalty if it is not paid within a certain amount of time; the person is then notified again that if the payment is not made the licence will be suspended, if it is not paid by a date; and then the person is notified when the licence is suspended.

There are opportunities for people to seek withdrawal or removal of that at any time throughout the process. They are advised on each of those pieces of correspondence. And there are different processes that occur when they ask for those to occur. There are multiple opportunities for people to appeal against the initial infringement that occurred prior to a suspension or a cancellation happening.

**MISS C BURCH:** In the instance that that has not taken place—they have not received notification of the suspension, for example; they have been pulled over by the police and told that their licence has been suspended; and they go to an Access Canberra shopfront to address that—is that something that Access Canberra is then addressing? What is the process there when they have lost the opportunity to appeal the infringement and their licence has already been suspended?

**Mr Rynehart:** For some suspensions, generally those relating to infringements, being parking fines, paying the infringement will remove the suspension.

**MISS C BURCH:** Yes.

**Mr Rynehart:** It is a different story for demerit points. That is a more legal process, and that can take some time. We assist the customer if they come in. It does not happen very often that a person gets to that point and was not aware, but when it does, we work with the customer. For some of those sorts of circumstances, the person paying the fine will lift the suspension.

**MISS C BURCH:** But if they have incurred speeding fines interstate, and those fines have been incorrect and therefore revoked, by the New South Wales RTA or something to that effect, they should not have their licence suspended in Canberra.

**Mr Rynehart:** If that sort of circumstance has happened, people should contact us. We can get in touch with the other jurisdiction to work out what happened.

**MISS C BURCH:** And it would be on Access Canberra to get in touch with the other jurisdiction and not the individual?

**Mr Rynehart:** Generally, yes. If the person asked us the question, we have direct contact with other jurisdictions to be able to speak to them and to at least advise the customer what the situation is and then go from there.

**MS LEE:** What kind of training and education do you provide to front-line staff at Access Canberra so they are aware of and kept up to date with the procedures you just outlined?

**Mr Rynehart:** We go through quite a rigorous process when people come on board. We focus on a number of things but predominantly on the customer service aspect and getting people what they need. But at the same time we also focus on the systems and the processes we have in place. We go through a number of weeks of training where staff run through the various legislative decisions they are making. In this case we are talking about transport, so they are trained within the business system but we also buddy them with an experienced officer and we provide detailed information about the legislation they are making decisions under.

We also have two different knowledge bases, which are live and active information systems for our staff. If a customer comes in and says, "My licence has just been suspended," the team can just type in "licence suspension" and they are provided a range of information about what to do from there. We have excellent customer service officers who are very knowledgeable in what happens, but we also have systems that explain the detailed processes of what they need to do. They refer to those systems when they are talking to the customers to make sure we get the information to them.

**MS LEE:** That is for the new staff. What about ongoing training or refreshers for existing staff?

**Mr Rynehart:** For most of the ongoing team it is relying on those knowledge bases because that is where the detailed process are. We also send out information to the teams as a process changes so that they are aware of those changes. We bring teams in for regular training over time not only for the detailed processes but also for some of the other functions of being a staff member, including customer service.

**MS LEE:** Is that a yearly thing?

**Mr Rynehart:** I have to take the exact number on notice, but it is certainly regular.

**Mr Peffer:** The complexity of what our team members deal with, with people walking through the door, is immense. You may have 50 customers who have 50 completely different needs, one after the next. The training we provide for our team members and the results we seem to be able to achieve rely on the level of helpfulness these guys invest in Canberrans when they come through the door.

We have seen recently in a survey that the experience within our service centres remains exceptionally high for a government service. I received something just the other day that referred to this, and this is feedback received directly in our Woden service centre last Friday afternoon. An elderly person who had just moved back to the territory came in to change their drivers licence, transfer a car registration and apply for a seniors card. They commented that it was quite busy at the time and all counters were "charging away".

The feedback left is that the individual has been:

... commenting to my wife and friends over the years on the transformation of Access Canberra to probably the best customer service organisation I have experienced living in five Australian states and territories, the US twice, England, and Scotland. I thought it was about time I passed on my thanks to the people involved. You continue to make what can be a difficult and time-consuming process about as good as it can get. So, thanks heaps.

So from time to time we experience periods of peak demand where we would like to get to customers sooner and do everything we can. But for the overwhelming majority of the 400,000-plus Canberrans who walk through our doors every single year the experience is quite positive.

**MS LEE:** I do not think that anyone is doubting the hard-working staff there. But making sure that there is a regular and supported training regime is an extremely important part of what enables them and empowers them to do their job to their best ability.

**Mr Ramsay:** Indeed. The recent survey indicates that Canberrans across the board are extremely satisfied. The overall satisfaction with Access Canberra has moved up from 85 per cent last year to 89 per cent this year. That is an enormous satisfaction rating across the board. I want to put on record as minister my appreciation for the wonderful staff across Access Canberra. They do a phenomenal job.

**MS LEE:** Minister, I do not think you will get any argument from any of us on the great job they are doing. But at the same time we cannot get complacent because being at the cutting edge of customer service and staying there is an important aspect.

**Mr Ramsay:** Absolutely.

**MS LEE:** There obviously must be constructive criticisms that come through from time to time. What role do those comments play in developing ongoing training? We want to reassure our constituents that if they provide constructive feedback it is taken seriously and taken into account in future training.

**Mr Peffer:** We have multiple mechanisms where Canberrans can provide feedback on how they feel about the service they received through a service centre, contact centre, our inspections and so forth. We go to great lengths to capture data from individuals and business about what the experience has been like and what lessons we can learn. Within the past 12 months over 70,000 Canberrans have left their thoughts on how our service centres have done, whether that is good or bad.

That sort of information across the different teams is used in different ways. If I take the service centre as an example, I was at Tuggeranong recently talking to the shopfront manager. She does a terrific job in monitoring that sort of data almost in a live fashion. If there are less than exemplary results coming through for particular counters or on particular transactions, it is live feedback to the team. They know immediately if something is not going right and what they can do to fix it or if they need to have a conversation with team members about continually striving to improve.

**MS CHEYNE:** Do you have anyone who calls up all the time, and is abusive? If so,

how do you handle them?

**Mr Peffer:** It is safe to say we have some high flyers who are more intensive users of our services than others. The majority of them we would not consider to be abusive. It might be that they have plenty of time on their hands and they do a lot of walking around the city and they feel it is their civic duty to report plenty of things. We are always open to receiving that feedback.

**Mr Rynehart:** I can now provide the answer to the question around the cost of five ASO3s for the contact centre: it is \$464,000 in 2018-19.

**Ms Cubin:** And I can now answer Miss Burch's question from right back at 9.30 this morning. The team advised that they are not aware of any drivers licences that have been incorrectly cancelled as a result of interpretation of medical standards. The cancellation of drivers licences is taken really seriously. The drivers licence medical standards are checked carefully when assessing the medical reports that are supplied.

Where a driver has a really complex medical situation we consult the fitness to drive medical clinic and will obtain clinical advice, so that we have experts providing information to us. Occasionally drivers are advised that their licence will be cancelled, and that is based on medical reports provided. The driver has the opportunity to engage again with their GP and acquire additional information on new medical advice and the decision is reviewed. There are quite a few processes before any action is taken.

**MISS C BURCH:** What is the time frame to provide that advice for the suspension or cancellation?

**Ms Cubin:** I do not have the details of the time frame, but obviously they are given an opportunity to do that so they are not cut off from acquiring that information.

**THE CHAIR:** Thank you, minister, and you officials from Access Canberra. We will adjourn and resume at 11.15.

**Hearing suspended from 11.01 to 11.15am.**

**THE ACTING CHAIR:** Welcome, Minister Ramsay and officials. Could I confirm that you have read the privilege statement and acknowledge it? We are dealing with CFC and events and arts engagement. Minister, we might start with an update on how we are going with Belconnen Arts Centre stage 2?

**Ms Tyler:** The tender process has just concluded for stage 2. After the tender process, the letter went out to the successful tenderer; yesterday, in fact. That is PBS Building. They are going to start the first phase of that now. The first phase will be completed by September. Phase 2, which is the construction, will commence in October. The building should be complete, all things going according to plan, in early 2020.

We have been working with Belconnen Arts Centre as well, and the funding that was allocated in the budget is for the 2018-19 financial year, which is about supporting them through the process of construction and expansion of that centre.

**THE ACTING CHAIR:** What does that support involve?

**Ms Tyler:** The funding is \$700,000 over two years. During the construction phase, the whole centre will not be open. This funding will support them through that and look at programming of the new spaces as well as allowing them to operate from other spaces as required while the building is not available.

**Mr Ramsay:** One of the key things behind that is the motivation that when stage 2 is completed and opened, the organisation will have built up sufficient momentum during the time: during the construction we will not have had simply a hiatus, a shutdown or anything like that. It is trying to ensure that there is the ongoing momentum and that stage 2, when it is opened, will be able to be expanded not only physically but also in terms of the programs themselves. The funding over the next couple of years is to help build that as well as providing the capital that is doing the building.

**THE ACTING CHAIR:** What will that look like in terms of making sure that momentum stays while it is essentially a construction site?

**Ms Tyler:** The team at Belconnen Arts Centre have been looking at partnering with other organisations, having activities happening in other spaces instead of just at the arts centre. Programs like the Ignite program, which is for people with disabilities, is operating, working with other arts organisations and from other locations. This is about connecting with the community that will be end-users of the facility once it is open, and providing opportunities for connections with the staff and programs that are happening there.

**MRS DUNNE:** How much of the operation of the arts centre will be constrained during the building process?

**Ms Tyler:** The main constraint is around the gallery space within the building. The plan at this point is that the administration area is going to be the first part that is completed. That takes up the existing gallery space, so the gallery will not be able to operate during the construction period. Spaces like workshops and those kinds of

things will be able to operate at different periods.

The construction company will now work with Belconnen Arts Centre, artsACT and the infrastructure, finance and capital works team to ensure that the phasing of the construction work is around the activities as much as possible and to allow patrons to access when there are programs still operating.

**MRS DUNNE:** Between now and September, what has to happen to get things beginning in September? And what happens in that September-October phase before you are actually turning a sod?

**Ms Tyler:** The period between now and September is around finalising the design. There is already a DA that has been approved for Belconnen Arts Centre. This is around finalising the design that was submitted as part of the tender, ironing out those details, getting to the detailed design drawings, working with the planning authority around the DA that has already been submitted and what the final design looks like, and getting ready for the construction phase. That is the period from now until September.

**MRS DUNNE:** What is the September-October period? You said that they start in September, but construction begins in October.

**Ms Tyler:** I am happy to take that on notice, but I am pretty sure that that is around any final approvals that need to go through between the end of design and the start of construction.

**MRS DUNNE:** My understanding from a conversation I had late last year was that Belconnen arts expected construction to begin in March or April. Is that the case? If so, what has been the delay? They were planning to start the shutdown towards the end of February, and they are clearly not shut down.

**Ms Tyler:** No.

**MRS DUNNE:** What was the delay?

**Ms Tyler:** The delay has been around making sure that the documentation for the tender was completed as thoroughly as possible before the tender opened, and working through the tender process to ensure that the information that had been provided was everything that was required through that evaluation phase. There has also been a negotiation phase with the preferred tenderer between now and then. The closing dates that were provided to Belconnen Arts Centre were indicative. Until we had the full programs as part of the tender, we were not 100 per cent sure what that would look like in terms of construction.

**MRS DUNNE:** Who is responsible for the management of the tender? Is that artsACT or was that procurement solutions?

**Ms Tyler:** We work with infrastructure, finance and capital works procurement on that.

**MRS DUNNE:** Who has the lead?

**Ms Tyler:** In terms of the tender process?

**MRS DUNNE:** Yes.

**Ms Tyler:** Procurements.

**MRS DUNNE:** Thanks.

**THE ACTING CHAIR:** While we are on infrastructure, the budget papers list improvements to CMAG as a priority. What are those changes? A few days ago, Mr Snow, CEO of the City Renewal Authority, appeared and talked about improving the broader precinct. We have subsequently seen some media about that; that everything from here over that way needs a bit of an overhaul. I was just wondering how CMAG, and what is proposed for that, fits in.

**Ms Elvin:** I might split that question into two.

**THE ACTING CHAIR:** Please.

**Ms Elvin:** Perhaps we can talk about the CMAG improvements first. That is a package of improvements to our storage areas, to our display areas, and for community access to the collection. I might invite Shane Breynard, the director of CMAG, to talk about that in a bit more detail.

**Mr Breynard:** As members may be aware, we are 20 years old this year. Our collection of visual art objects and social history objects has grown significantly over those 20 years, such that we have around 6,500 objects in the collection today. Over probably about 12 months, we have been not actively pursuing larger objects for the collection because of constraints to our storage, which is on site at CMAG.

We are pleased to have received notice of funding to extend our storage on site and to undertake some other adjustments to the space to meet the contemporary needs of the museum and gallery. That will involve providing environmental conditions to Gallery 5, which is our upstairs gallery. We have been constrained up there in not being able to show works from our permanent collection or loans from other institutions because the humidity and temperate controls up there are not of a museum standard. That will give us a lot more flexibility.

We will also be creating a study room area, which will have a changing massed display of collection material and objects that are brought out for one-off talks, for research purposes, and for other cultural purposes.

So we will be profiling and providing better access to our collections. While people love and talk about our exhibitions a lot, our collection and our collecting activity, as well as some of our education program activity, have less of a profile in the community. We are hoping that creating this study room and talking about our collection more will solicit more donations from the community for that collection.

**MRS DUNNE:** Madam Acting Chair, if I could follow up on that?

**THE ACTING CHAIR:** We might let Ms Elvin answer the second part of the question and then we will go to you.

**Ms Elvin:** If I can go to the second part of your question which I think was around the broader precinct planning.

**THE ACTING CHAIR:** Yes. If the answer is that it has no bearing, fine.

**Ms Elvin:** No, it certainly does have bearing. As you are probably aware, the City Renewal Authority is now developing a civic arts and cultural precinct plan. The project team for that has just been announced. There has been a tender process. We are not actually running that process but we will be very closely involved in it. Of course, one particular aspect of that, that we have a very close involvement in, is planning for and a business case for a new theatre for Canberra. Money, of course, was announced in this budget to allow a full business case to be developed. That work will be dovetailed with the new precinct plan that the City Renewal Authority will be undertaking over the next 12 to 18 months.

**MRS DUNNE:** I have got a follow-up for that one as well but I will go back to Mr Breynard's comment. You said that you were expanding your storage capacity. How are you doing that?

**Mr Breynard:** Our current collections store is to the east side of the building, adjoining the car park area there. We are extruding that, if you like, through to the northern corner of the building, which will increase the capacity by about 30 to 40 per cent. That is moving into existing gallery space. We will incorporate a study room. However, by creating improved environmental conditions in the upstairs gallery at CMAG we will enjoy much greater flexibility in our capacity to present exhibitions and to have the most significant works of art and objects on display in that upstairs space as well. The total area for gallery exhibitions will be impacted by this change.

**MRS DUNNE:** By how much?

**Mr Breynard:** I will take that on notice actually, to clarify that.

**MRS DUNNE:** Minister, would it be possible to have a walk-through of the plans with Mr Breynard at some stage?

**Mr Ramsay:** Not a problem. Certainly, yes.

**MRS DUNNE:** In relation to the arts precinct, does this mean that the City Renewal Authority is looking at Civic Square as part of that?

**Ms Elvin:** Yes. It is the full precinct but that certainly includes Civic Square.

**MRS DUNNE:** I did notice that during the comedy festival when you had the pop-up picnic tables people suddenly used Civic Square in a way that it has never been used

before. It has often been described as a dull space and the only people who use it seem to be members of the Legislative Assembly who scurry across it to their car park. Suddenly people were stopping and having coffees, eating lunch, doing their studies and having meetings and stuff. I think that perhaps you and the Civic Renewal Authority should be looking at how to more regularly enliven Civic Square.

**Ms Elvin:** Certainly. We are also interested in enlivening it for performances such as Spiegeltent recently. Increasingly we are trying to use the forecourt of the Canberra Theatre Centre as an extension of our performance space. I think there are a range of interventions from quite simple ones, as you mentioned—from a few colourful umbrellas and tables and chairs—through to actually programming events there to activate the space.

**THE ACTING CHAIR:** I have got two cheeky questions. The first one is for you, Ms Elvin. Do you think that part of the problem with Civic Square lies in its name? Would you support my favourite, renaming it festival square?

**Ms Elvin:** I am sure all these things could be looked at in the planning that the City Renewal Authority is going to do. I do not think I will personally have much of a decision-making role as to the name of the square. I would point out though that that square name goes back some considerable period in history now. I think there is quite a bit of heritage significance to it. While it may not be the most interesting of names I do think it has got that history and significance.

**THE ACTING CHAIR:** Mr Breynard, to finish this line of questioning, I do recall post the 2016 election campaign that CMAG reached out to some candidates for their corflutes, perhaps with the intention of holding an exhibition. I was wondering if there were any plans for those.

**Mr Breynard:** I am not aware of them actually being scheduled into an exhibition in the short term and they are not the reason behind our need to expand the storage explicitly, I will say. However, I will take the opportunity to flag what we consider will be a very wonderful exhibition that opens next week at Canberra museum, which is called *Crafting the house on the hill*. It will be a wonderful one. It is really about the major art and design commissions that were part of the Parliament House project. This is a wonderful partnership for us with national institutions such as the National Archives of Australia and Parliament House and really shows how our stories are so intertwined between national, regional and local culture.

**MS LE COUTEUR:** This is almost an extension of a supplementary. We talked about CMAG but obviously the Canberra Theatre also has some money for expanding. How is that project going to be scoped?

**Ms Elvin:** Yes, there is money in this budget, \$1.2 million, for a full business case. There is actually work going on at the moment that will lead into that business case. That is being run out of the infrastructure finance area of the ACT treasury. That is looking at a demand and needs analysis and also looking at the range of options that could be considered for a new theatre facility.

The money that has been provided in this budget has actually been provisioned. In

other words, it will not be released until the government has decided which options it would like to have looked at in the business case. It is important that that business case is focused to make best use of money and very much focused on the areas that government would like to have pursued. The current studies, in effect, will scope what goes into the full business case.

**MS LE COUTEUR:** Are you involved in that?

**Ms Elvin:** Very much, yes. Even though those funds have not come to us directly, we are certainly part of a project group and we are very closely consulted. The staff at the Canberra Theatre Centre, for example, are providing much of the detailed industry and operational information to underpin the work that is currently being done. Yes, I can assure you we are very fully involved.

**Mr Ramsay:** Can I note also, in terms of this year's budget in relation to the Canberra Theatre, that there is not only funding towards the business case but there is also some significant funding for some upgrades for the current uses. Again, while the thinking and the planning are happening for the future it is important that the quality of the experience of the people who are going to and enjoying the Canberra Theatre at the moment is enhanced. I do not know if you want to talk about that.

**Ms Elvin:** Yes. There is a package announced in this budget of six measures. Three of those relate to safety and three relate to improved access. The safety ones include an upgrade to our fire safety equipment, replacing fire safety doors in the Playhouse which are currently non-compliant and replacing some roof safety infrastructure: attachment points, anchor points, safety lines and so forth.

Then there are three initiatives which will improve access to the Canberra Theatre Centre. This is an area that we have a proud record on but we need to keep on ensuring that we can provide that improved access. The majority of that money will go to upgrading all the public toilets in the Canberra Theatre Centre to introduce ambulatory cubicles. As you are probably aware, those are cubicles for people who do not need full wheelchair access but may have mobility issues, meaning they need to use a frame, for example—just slightly larger cubicles.

Another fairly large amount will go to provide a lift and wheelchair accessible seating at the midpoint of the Canberra Theatre. At the moment that seating tends to be restricted to the front of the theatre, which is not always people's preference. Some people like being very close to the stage, others like to be a bit further back and see more of a view. It would be good to be able to provide those options in future through that work.

The third and final aspect of the accessibility upgrades will be to replace our current captioning equipment. That is equipment that allows live captioning of performances to assist people with hearing impairments. Interestingly also, it is quite often used by people who perhaps speak English as a second language. It can really help them with a text-based production, particularly a more complex one like perhaps a Shakespeare production, to make it more accessible for them too.

**MS LE COUTEUR:** Am I correct that all the live captioning is done by volunteers?

**Ms Elvin:** That is done through the Captioning Studio. It is a great service, yes.

**MS LE COUTEUR:** That is amazing. Would you have community involvement in terms of the scope for the upgrade to Canberra Theatre? Is there going to be some sort of survey as to what we want?

**MRS DUNNE:** More ladies loos.

**Ms Elvin:** Yes, in fact, perhaps Ms Tyler may want to talk about—

**MRS DUNNE:** Other than more ladies loos.

**MS LE COUTEUR:** They did not have to do a survey for that one.

**MRS DUNNE:** I remember that Ms Elvin years ago promised us that there would never be a queue at the ladies loos anymore, but it is not true.

**Ms Elvin:** You just have to find the right set of toilets. If there is a queue at one, you move on to another one.

**MRS DUNNE:** It is better than it used to be; no doubt about it.

**Ms Tyler:** In terms of the community engagement for the scope of the new theatre, artsACT does have some funding in the budget at the moment to work on stakeholder engagement on the new theatre. That ties into the work that the City Renewal Authority are doing on the Civic arts and cultural precinct plan, which also includes a stakeholder engagement component. There will be opportunities over the course of the development of the business case, as well as in the precinct planning, for the community to be involved in that.

**MRS DUNNE:** I have some more questions about artsACT generally rather than the budget. Initially, the hyperlink to “arts announcements” in the budget home page does not work. If it worked, what would I find behind it?

**Ms Tyler:** In terms of the budget announcements related to—

**MRS DUNNE:** Yes, I know what the budget announcements are but what would I find? Could you fix it up so that I can see what is there in the fact sheets and whatnot?

**Ms Tyler:** Yes.

**Mr Ramsay:** We will certainly fix it up so that the hyperlink will—

**MRS DUNNE:** The hyperlink does not work at the moment. It goes to a 401 message. On things that do not work, the artsACT website currently carries an arts policy which is still three years out of date. I think I have asked these questions before. What has been done to update the 2015 arts policy?

**Ms Tyler:** The 2015 arts policy was developed in 2015. It was not current just for that

year. So it is still the current ACT government policy.

**MRS DUNNE:** That is a different answer from the one that I got last time, I think. Normally if you have a document like that, it actually says what its longevity is. How long is it supposed to run?

**Ms Tyler:** You might be referring to the strategic plan for artsACT. There is not a current strategic plan for artsACT.

**MRS DUNNE:** No, I am talking about the arts policy, which is dated 2015.

**Ms Tyler:** There is no current work being done on updating the arts policy.

**MRS DUNNE:** Does the arts policy have an end date? Normally speaking, a document like that would be for a period, from A to B, but it is dated 2015. It does not have an end date on it. What is its end date, if it has one?

**Ms Arthy:** I think the difference here is the difference between a strategy and a policy. A policy tends not to have an end date, but a strategy does. The policy that is there was set in 2015. That is the policy to which we work. If it were called an arts strategy, then you would expect to see an end date, but that is not what this document is.

**MRS DUNNE:** So it will stay like that forever or until someone decides to review it?

**Ms Arthy:** It will stay until there is a consideration from government to review it.

**MRS DUNNE:** Is that likely, minister?

**Mr Ramsay:** We are not currently looking to review that at the moment.

**MRS DUNNE:** I will turn to other things that are on the artsACT website. There was a survey and there were four round tables held in July last year about the establishment of a ministerial advisory body on arts. What has happened since then?

**Ms Tyler:** artsACT did engage an independent consultant to undertake those workshops and look at the results of the survey. We have been developing a proposal to government on a potential mechanism for a ministerial advisory forum. This work is almost at completion, but we are still undertaking this process.

**MRS DUNNE:** Can I have the chronology? The round tables were held in July last year; is that right?

**Ms Tyler:** Correct.

**MRS DUNNE:** So what has happened since then? What are the milestones since then? I presume that the consultants reported after that? When did they report and what work has been done since then?

**Ms Tyler:** We received the report in, I believe it was, August-September of the year that the round tables were—

**MRS DUNNE:** 2017?

**Ms Tyler:** 2017. We have been looking at the key themes and messages of that report, along with the information that was in the petition to the Assembly. That included the establishment of a body to ensure that whatever is proposed meets the expectations of both the minister and the arts community in delivering on a mechanism to provide advice to the minister.

**MRS DUNNE:** How will you know whether it meets the expectations of the arts community?

**Ms Tyler:** We have had some focus groups to talk through with some members of the community around their views on what is being proposed.

**MRS DUNNE:** That is subsequent to the round tables in July last year?

**Ms Tyler:** Correct.

**MRS DUNNE:** When were they and who was involved in the focus groups?

**Ms Tyler:** Those happened a few weeks ago, during June 2018. The groups involved independent artists, as well as artists who work for arts organisations that are involved in other activities throughout Canberra.

**MRS DUNNE:** Did it involve The Childers Group?

**Ms Tyler:** It involved members of The Childers Group.

**MRS DUNNE:** Great, thank you.

**Mr Ramsay:** Could I say, Mrs Dunne, just as follow-up information for you with that one, the government is actively considering the final form of that. We can anticipate an announcement on that in the next few weeks.

**MRS DUNNE:** I will stay tuned.

**Mr Ramsay:** Also, going back a question, I have been advised that the links that you were referring to are working.

**MRS DUNNE:** No, they were not working yesterday.

**Mr Ramsay:** I have been advised they are today.

**MRS DUNNE:** Good; thank you very much.

**MS ORR:** There is \$250,000 in the budget to improve government-owned arts facilities across Canberra. Can you run me through some of the things that will be incorporated in that?

**Ms Tyler:** That budget announcement includes two components. One is \$100,000 for work on the Watson Arts Centre kiln shed. The kiln shed is currently suffering from some corrosion activity. The funding will be used to look at the options for rectifying the issues at the kiln shed. We will go as far as we can with that funding to actually rectifying it once the design is complete and agreed.

The other funding is \$150,000 over two years, which is around specialist asset replacement for arts facilities, noting that in a range of these facilities—gallery lighting, theatre lighting, equipment that is used at the Glassworks, for example—the assets are expensive to replace. We are looking at an opportunity to assess the current state of our specialist assets and look at a way that we can work through how we can replace those assets over time strategically.

**MRS DUNNE:** To follow up on that, that is not for replacement; it is for working out a strategy for how to replace?

**Ms Tyler:** The first phase of that is around the strategy.

**MRS DUNNE:** And that is 200?

**Ms Tyler:** It is 150 over two years.

**MS ORR:** Is that 250 in addition to the 350 for the Canberra Museum and Gallery? The answer seems to be yes. I am not sure if we are in the right section but was there also some upgrade to cultural, historical—

**MRS DUNNE:** No, that is CMAG.

**MS ORR:** Yes, would you fill me in?

**Ms Elvin:** I think you are referring to a package for historic places. There was \$680,000 announced in this budget. That will include a number of components. The majority will be to construct a new workshop and offices at Lanyon. At the moment the current workshop and offices are below acceptable work, health and safety standards.

Also, we currently use a number of areas of Lanyon Homestead for office accommodation, which means that once we can move staff out of there we can release those areas for historical interpretation. That is the major component of the money.

There are other components studying future water supply options for Lanyon. There is money for conservation work across all three historic sites: Lanyon, Calthorpes' House and Mugga. There is \$20,000 for an electric people mover, which will be a great way to get people around the Lanyon estate.

It can be a little confronting at the moment for people who have mobility issues. For example, just getting from the public car park at Lanyon up to the homestead is perhaps 150-200 metres, including across gravel areas. That can be quite challenging for people who have mobility challenges.

There is a further component in addition to capital money of \$105,000 over four years to upgrade telecommunications infrastructure at Lanyon. It is a really good package of initiatives for our three historic sites.

**MRS DUNNE:** Could somebody give me an update on what is going to happen about the replacement of the stolen artwork from the Hughes shops? I know there was community consultation earlier this year. Is that artsACT? Am I in the right place?

**Ms Tyler:** Correct. With the Hughes artwork, we have been undertaking a process to work on an artist's brief for the replacement of the artwork at Hughes shops. The original artist, Giovanna Ianniello, was not interested in re-making the old artwork, and there is no mould, so it was not a case of just replacing like with like.

We did some consultation with the community around what they would like to see in the artwork. That has been fed into an artist's brief which is going through a tender process. Due to the availability of the artists who are part of that tender process, that has been delayed slightly, but that program of replacement will be in place once the tender process is completed.

**MRS DUNNE:** What is the tender for?

**Ms Tyler:** The tender is for the design and delivery of a new artwork for the Hughes shops.

**MRS DUNNE:** Are there any specifications? Is it supposed to be another bronze? Is it open to anyone, any style?

**Ms Tyler:** I will have to confirm that detail in terms of what is included exactly in the artist brief but—

**MRS DUNNE:** Thank you. On notice is fine.

**MS LE COUTEUR:** Can we move to events? I am very pleased that we are putting money into boosting local events. Is there a target for a minimum amount of local performance to be involved and ensuring that they are not involved just as volunteers but will be properly paid?

**Ms Verden:** With all of our events, our community and our major events, we seek to engage local performers and artists where possible. We do not have a specific number that we put on it, but we do attempt to ensure that we showcase Canberrans and the quality, the skill and the expertise of the artists and performers that we have here in the territory through our events.

**MS LE COUTEUR:** You said you did not have a target for local performers. Is there any reason you do not have a target?

**Ms Verden:** The reason for not having a target is that each event varies. We look at each event on a case-by-case basis in relation to what budget is available to support those events and what budget is available for performances. While we do very much focus on ensuring that we showcase our local talent, we do not put a precise number

on it. It is difficult to do, because we look at events on a case-by-case basis.

**MRS DUNNE:** How do you identify local talent that you might have at a particular event?

**Ms Verden:** How do we identify local talent? That is just through our networks, the contacts that we have and the companies that we work with. Where we outsource events, we make it a requirement through their contracts that they attempt to showcase local artists. And those event management companies work locally and do have contacts. So it is through our existing networks and contacts.

**MS LE COUTEUR:** Do you have a policy about a minimum amount that you pay for those artists?

**Ms Verden:** No.

**THE ACTING CHAIR:** On what basis do you determine how much people get paid?

**Ms Verden:** Could you just clarify the question, Ms Le Couteur?

**MS LE COUTEUR:** Do you have a policy, in terms of minimum wages, as to how you pay performers and artists that you are contracting? You said no; then Ms Cheyne asked you what the policy is.

**THE ACTING CHAIR:** How do you determine how much an artist is worth for their performance time?

**Ms Verden:** We seek quotes from performers. They submit quotes. When performers are approached to perform at an event, they submit a quote, and then we assess those quotes. To clarify, our policy is that we pay performers based on the quote that they provide and the negotiation that we have with those performers.

**MS LE COUTEUR:** So you do negotiate with performers?

**Ms Verden:** We negotiate with all performers whom we talk to for all of our events, yes.

**MRS DUNNE:** I get feedback that local bands and local groups often feel that they are not getting a space at the table and that Events ACT has said to people in the past that people do not want to turn up to one of our events just to see someone local; they want to see an imported act, somebody from interstate or overseas.

Do you have a register of people interested in performing at events? If you are going to have NightFest at Floriade, you may not have a heavy rock band or something like that, but there may be occasions when that is appropriate. But groups have said to me, and I am sure they have said to other people, that being local is one of the things that gets you disqualified up front.

Has Events ACT changed its approach? Does it have a register of people who are interested? I know of groups who have tried to register and have been told, "No, thank

you very much.” What do you do to ensure that you have access to bands, performance groups and the like who are local and who would jump at an opportunity to perform at an ACT event?

**Ms Verden:** Events ACT welcomes the opportunity for local performers to provide their details to us. If we do not already have them, we are very happy to take them on.

**MRS DUNNE:** How do they do that?

**Ms Verden:** They can contact Events ACT direct.

**MRS DUNNE:** Do you have a register? Can people register online or express their interest?

**Ms Verden:** No. There is no register online where people can register their details.

**MRS DUNNE:** Do you have a register?

**Ms Verden:** We have, I would say, a database of local performers that we have internally. If local performers wish to be added to that database, we would absolutely welcome hearing from those local performers. They can contact Events ACT through emailing or phoning our office.

**MRS DUNNE:** I hope that when I encourage people to do that I do not get feedback that they were not welcomed. In the past, I have had feedback that when people do that, their approaches are not welcome.

**Ms Verden:** I cannot speak about what has happened in the past, certainly prior to my taking on this position in Events ACT. I can provide the committee with the assurance that we will welcome local performers making contact with Events ACT and we can add those to our database. In terms of selecting performers for events, as I mentioned earlier, it will be very much on a case-by-case basis. We often curate programs for events, so it really depends on the type of event, the theme of the event and the audience that we are seeking to appeal to for those events.

**MS ORR:** The budget provides funding for a dedicated Aboriginal and Torres Strait Islander arts officer. How is the officer going to engage with the community around arts and culture?

**Ms Tyler:** The Aboriginal and Torres Strait Islander identified arts officer will be working with the information that was gathered as part of our consultation with Aboriginal and Torres Strait Islander communities within Canberra over the past two years. We will be working on implementing those actions in the action plan, which is also available on our website.

That engagement will involve developing programs with Aboriginal and Torres Strait Islander arts networks; looking at opportunities to engage with artists that we have not spoken to yet; ongoing communications with the community, because we recognise that the work that we are doing will never stop in terms of consultation with these communities; working along with the principles in the Aboriginal and Torres Strait

Islander agreement, particularly around self-determination; and recognising local contributions that can be made. Those are the principles that we are working with. This officer will continue along those principles to deliver a program of activities and opportunities for artists in the community.

**Mr Ramsay:** This has grown out of a long piece of consultation and work. It is something that I know has been very warmly received across the arts community as well as the Aboriginal and Torres Strait Islander communities. This is one of those initiatives that not only has a high likelihood of significant impact for the arts community but, because of the integral relationship between arts and culture in the Aboriginal and Torres Strait Islander communities, is something that can have a broader impact than even for the arts themselves. That is why there is such strong cooperation across the whole of government for this.

**MRS DUNNE:** I have a quick technical question, if I may. In relation to the better arts facilities funds that Ms Orr asked about, why is that capital and not recurrent, especially the \$100,000, which is the thinking about how we might have a capital replacement program? Why is that capital? And also, in relation to the kiln, who owns the building at the Watson Arts Centre? Is it an ACT government owned facility?

**Ms Tyler:** Going to the first part of the question, that funding is capital funding because it is related to design of a program which will be using capital funding. That is my understanding of that position, but we can provide further information about why that has been—

**MRS DUNNE:** Thank you. It seems an odd accounting treatment for that, but I suppose that if Watson Arts Centre is owned by ACT government—

**Ms Tyler:** Yes. In that particular instance, the \$100,000 for the Watson Arts Centre kiln, that building is an arts facility owned by the ACT government.

**MRS DUNNE:** That explains why that is capital. Thanks.

**THE ACTING CHAIR:** In the minute we have left, with the accountability indicators for events and arts engagement, I noticed that our targets are not increasing for anything. That might be for good reason, but particularly given that we have a growing city, why would we not be hoping to get the number of attendees at programs delivered by artsACT-funded organisations to more than 350,000?

**Ms Tyler:** We did not increase the accountability indicators this year. That is around divisional work that is happening at the moment, but also in relation to the Auditor-General's report on the strategic and accountability indicators for the ACT government. Rather than putting work into those this year, there is work that is happening across the ACT government that will inform those accountability indicators in future years.

**THE ACTING CHAIR:** So in next year's budget papers, we should expect to see things looking a bit different?

**MRS DUNNE:** I can hardly wait for that.

**THE ACTING CHAIR:** Thanks for much for appearing today. We will have a quick changeover of officials and minister.

Appearances:

Berry, Ms Yvette, Deputy Chief Minister, Minister for Education and Early Childhood Development, Minister for Housing and Suburban Development, Minister for the Prevention of Domestic and Family Violence, Minister for Women and Minister for Sport and Recreation

Chief Minister, Treasury and Economic Development Directorate  
Arthy, Ms Kareena, Deputy Director-General, Enterprise Canberra  
Bailey, Mr Daniel, Executive Director, Procurement, Property and Venues

Transport Canberra and City Services Directorate  
Corrigan, Mr Jim, Deputy Director General, City Services  
Alegria, Mr Stephen, Director, City Presentation

**THE ACTING CHAIR:** I welcome the Minister for Sport and Recreation. We will begin with output class 3, economic development, sport and recreation. I understand we also have transport and city services officers here to talk about city maintenance and services around sportsgrounds. Minister, do you have an opening statement?

**Ms Berry:** I am applying the rules that were asked of us, so no, I do not have an opening statement. I am happy to take questions.

**THE ACTING CHAIR:** Very good. We might start with something close to your heart and mine, minister, the Higgins oval restoration

**Ms Berry:** Yes.

**THE ACTING CHAIR:** I was wondering what exactly this will include, and why Higgins oval is the best place for that investment. I know that we are both aware of the interest about that site more broadly in the community.

**Ms Berry:** The Higgins story goes back a little way from when the school closed. Then there was a decision to demolish the school at the site, and it was about what would be the best outcome for the community at that school site, the old playschool site, and the oval. The government had been talking with the community about what was the best outcome for the community. There was a consensus reached that the school really did need to be demolished. It was an old school; it was full asbestos.

The school was demolished and it was recently sold for aged care. There has been a development application out. I think it is closed now, but there was an opportunity for people to put in their comments about that development. There is a childcare centre that is also operating on the site.

I have been talking with the sports organisations and the community more broadly about the oval and its connections, and how close it is to all the other existing facilities at Kippax. It made sense for that oval, because of its closeness to all the other ovals and facilities at Kippax, to be restored for sports use. After that, there was the Kippax master plan process. The community reference group suggested that

perhaps Higgins should be part of the Kippax master plan conversation.

I had always said when I went and visited the community reference group that if that was going to be the case, then if Kippax Fair were in a position to purchase the land behind Kippax, that should be replaced at no cost to the community or the government, in addition to the purchase price of that land. With that land, whatever the value is—if it goes ahead, because we are still in the process of having that conversation with the community, and then, in addition to that, the Higgins oval—the master plan process took a bit longer, so there could not be any agreement reached with Kippax Fair.

In the meantime, the ACT government had made a commitment in 2016 for 1.25, from memory, for some work down at Kippax ovals anyway. It made sense to go, “Look, we are just going to go ahead and restore Higgins oval. There is a need in the sporting sector.” This budget built on the commitment that was made during the election in 2016: expanded on that to restore Higgins oval. The oval will contain two rectangular fields, a cricket pitch, lights and a pavilion eventually. I think that is the plan.

**Mr Corrigan:** And irrigation.

**Ms Berry:** And irrigation as well. That is the plan for the entire restoration of Higgins oval. I understand, taking into account growing seasons and things like that, that the restoration of the actual grass will have to start pretty soon.

**THE ACTING CHAIR:** Will there be change rooms for both men and women if there is some infrastructure on that oval?

**Mr Corrigan:** Yes, we do have a provision amount for facilities in the following years, so we would look at change rooms and other amenities, those sorts of things.

**THE ACTING CHAIR:** Is that budgeted?

**Mr Corrigan:** It is a provision amount. As the minister outlined, the money in this year’s budget will allow the restoration of the oval, with the two fields, irrigation, lighting and those things. Then we have the provision amount for the amenities to come.

**THE ACTING CHAIR:** More broadly, are we looking at upgrading facilities at other ovals in terms of things like lighting and change rooms?

**Ms Berry:** Yes. Just this year, as a result of, again, another election commitment, I think it was, there were lights installed at Calwell. They now have lights at Calwell. The cool thing about the lights at Calwell is that they are, I am advised, international best standard. They are LED lights, so they are more affordable and sustainable to run, last for longer, have less maintenance, and are much better quality. They can be remotely operated as well; they are wi-fi connected.

I am looking around for somebody who has more information about that but, rather than having to have somebody from TCCS, a ranger or somebody, come along and manually turn the lights off, they can be operated via a device through a wi-fi

connection. And they are not single lights attached by themselves; they actually come as one big connection of lights, which again saves on maintenance. I am going to ask Stephen Alegria to give a bit more detail on the actual lights, how they work and why they are so great.

**Mr Alegria:** As the minister outlined, the LED lights are very much the latest technology, and give us not only the efficiency gains—that was really important, because we have a lot of sportsground lighting across the ACT—but also that flexibility to be able to potentially remotely control, which may end up allowing us to be more efficient in the way we operate the lights. Currently we generally need to physically turn switches on and off. We are seeing this as the first step in an ongoing program, obviously subject to budget, to improve and modernise our facilities.

In terms of other matters, we have also recently upgraded pavilions at Dickson and Phillip oval as well. And in the coming budget we have plans to further upgrade the pavilions at Waramanga and Yarralumla oval. It is basically a rolling program that seeks to continuously improve the facilities over time.

**THE ACTING CHAIR:** Do you get lots of reports about rabbit holes on ovals?

**Mr Alegria:** Not particularly, no; not rabbit holes. We do obviously get fluctuations in the surface as a result of the sporting use. Of course, we have divots. We are working really closely at the moment with some of the sporting groups to allow them to participate in helping manage those divots. We are providing a couple of clubs with stockpiles of soil so they can go and proactively manage the pitches that they use. It is just a partnership arrangement, which is a really promising way that they help themselves with the government's support.

**Ms Berry:** At Belsouth, for example, TCCS has dropped off a load of soil. They ask their members, kids, parents and volunteers to come along with buckets and fill in the divots and the wear of the oval. It helps if the repair is happening as it is occurring. Then it does not end up being a bigger problem or eroding and turning into a big mess that is harder to rehabilitate. It is pretty cool.

**THE ACTING CHAIR:** And as users of the oval, they are the ones who know where the divots are.

**Ms Berry:** Yes.

**Mr Alegria:** Yes, that is right. They are really keen. They have seen that it is a great opportunity to participate. All they need is some soil. There are a lot of volunteers, I am told, who are actively engaged. It is a good outcome.

**MS LE COUTEUR:** You talked about lights at Calwell. What is the policy as to what ovals and sportsgrounds get lights and electricity; and bins, including recycling bins? What is the policy on provision of services to sportsgrounds?

**Mr Alegria:** It is very much demand driven. We know that we have changing community needs. We talk with the sporting organisations and take into account all of their particular requirements or their requests for service. Then we triage those as best

we can in terms of the available resources. Where we have a particular club with a demonstrated need, or a sport, we will factor that into our program.

As I say, we understand that many of our sporting facilities are ageing. That is why we have this rolling program. For many years, we have had the facilities improvement program to progressively roll out. Of course, we cannot always deliver everything at once, but we are very responsive to community needs.

In terms of bins and so forth, we have pretty good waste facilities in the sportsgrounds. As in public places, the recycling bins are limited to the very high use areas where it is feasible to empty them and return those materials to be recycled. Sportsgrounds generally only have a general waste facility in the particular facility, so there is not always an opportunity for recycling but, again, we are always looking at trying to improve our service delivery and see how we can roll out those recycling bins to more areas.

It will be very interesting to see where the container deposit scheme goes. We are expecting a reduction in the amount of, particularly, beverage containers, because people have an incentive to return them. That will help promote recycling. We also work with sporting groups to encourage them—if they are running the canteen, for example, if they have the ability—to separate things at source. We encourage them to do that. It is a conversation with the users and the facilitation role that we take.

Going back to lighting, lighting is a really important tool for the community, to enable us to spread the use of sportsgrounds and enable people to train in the evenings, particularly in winter for the winter sports. We find that the LED lighting allows us, if we have lighting across a wide area, to manage the use and impact on the actual field by potentially turning lights off in an area where we want to rest it for a little while. From a management point of view and an efficiency point of view in terms of maintaining the integrity of the actual playing surface, that is a really powerful tool. We are quite excited about its potential to help manage use without relying on individual clubs and coaches making a decision on the spot. That is another benefit.

**MS LE COUTEUR:** You talked about triaging your requests. Can you give people any clarity as to the criteria you use for your triaging, given that there is more demand for lights, electricity and recycling than is able to be met?

**Mr Alegria:** Twice a year we meet with all the sporting groups and we talk about bookings and the allocation of pitches. That is a key opportunity to hear from them about their needs. It is much like any other of our many city services that we deliver. We end up with a lot of requests and we really have to look at the practicalities, the expense, the net benefit to the community, the demand that we are meeting, the other plans that we have already got in place.

There is not really a set of criteria but we look holistically at the whole situation, where the best value for money for the community is and where the best bang for buck for our government resources is. It is a triage process and is undertaken on a rolling basis. There is a lot of history with many of facilities as you know, and with the clubs. That is all taken into account as well.

**MR MILLIGAN:** In relation to upgrades of ovals across the ACT, how is that prioritised? Is there a list that is published? How can clubs participate in putting forward their suggestions on what ovals could possibly be upgraded and what facilities could be included?

**Ms Berry:** Mr Alegria just referred to the meetings that are held twice a year with sport and rec and city services to discuss all those kinds of things around upgrades and use of ovals, participation, booking systems so that that can all be improved. It is a very close relationship.

Of course I have meetings as well with various sporting organisations to go through these kinds of issues. That was how the Higgins oval restoration actually came about. It was because of representation from sporting clubs. It worked well. It was closer to all the existing facilities and it was an opportunity that worked in that area.

**MR MILLIGAN:** Is there a list? Is there a list available on which ovals are being worked on and which ones are coming?

**Mr Alegria:** No there is not. I think the other key factor that we use in decision-making is around safety. As you would understand, safety is a rolling issue. We need to make sure that sportsgrounds are fit for purpose and are safe in terms of the playing surface, in terms of the ancillary facilities around. That is really a key driver as well, as I said before, particularly with—

**MR MILLIGAN:** How does that contribute to publishing a list on what ovals are due or upcoming? That is not giving clubs any certainty at all as to the possibility of using certain ovals in the future. Is there any reason why you cannot publish somewhere the list of ovals that are being upgraded or due to be upgraded or are being assessed?

**Ms Berry:** They are announced when commitments are made during budget. If there are upgrades that occur during the year then clubs are aware of those upgrades. I think the Active Canberra sport and rec newsletter provides information as well to clubs and the sporting community about what is happening in the sports space as well. I am not sure what other information you would rather we provide.

Of course there are the two meetings a year as well that are held specifically around the issues that have been talked about today as an opportunity to share that information as well. There is a fair bit goes out. I do not know how much more you could say or repeat.

**MR MILLIGAN:** Just a simple list on a directorate's website could be sufficient.

**Ms Berry:** It is provided in a whole bunch of different ways.

**Mr Alegria:** Just further to the minister's response, I think the other aspect is that there are probably a couple of categories of what you might call upgrades. There are obviously the major projects that go through the budget process but there are also the recurrent activities that we do with our normal funding through the year. That is where we can be very responsive to clubs, the example I gave before about providing the top soil and so forth. We do respond to club-particular issues and we work with

them to resolve those issues through our normal program. That is another important way that we address those immediate concerns.

**MR MILLIGAN:** How can those clubs participate in that program of getting top soil? Can they approach—

**Mr Alegria:** Absolutely, and they do.

**Ms Berry:** Yes.

**MR MILLIGAN:** Is it quite clear on the website how they can participate in that?

**Mr Alegria:** Yes.

**Ms Berry:** It is a pretty close relationship with the sporting communities, city services and sport and rec to make sure that we know exactly what is going on around the place. Some people might be asking for things that just cannot be delivered in a time frame or in a way that clubs might want. It is a pretty receptive relationship, I think, particularly with things like soil.

Referring again to Belsouth and some of the other clubs around Canberra I have heard from about graffiti on their pavilions, we can respond to that with the relationship between sport and rec and city services and the graffiti coordinator about having murals painted on those places. What happens when there is a mural on there is that it is less likely to be tagged. It is these little things that happen through the year. Sports get in touch with my office or with city services or sport and rec to talk about what is the solution for their club.

Belsouth got the soil delivered. Their community is really engaged in volunteering and making sure that the ovals are kept in good nick. They have a mural on their pavilion and they have also raised some funds to have some murals painted on their storage sheds. Things like that happen all the time. It is because there is the ability for the organisations to meet regularly with government services to get those kinds of activities done.

**MR MILLIGAN:** In relation to those storage sheds, the shipping containers, has the government got an approach or an idea on moving away from that type of storage and building more permanent storages, like a permanent building that would probably be less likely to attract graffiti and provide a better facility for sporting clubs to house all their equipment?

**Ms Berry:** I think it is considered again on an as-needs basis.

**Mr Alegria:** That is right. I think the key message there is that where we are building new facilities, absolutely we build a proper facility that has storage and the change rooms and is female friendly and all that. In terms of retrofitting existing facilities, that would really be on a case-by-case basis. What is the risk we are trying to manage? What is the service we are trying to deliver?

**Ms Berry:** And the space.

**Mr Alegria:** Yes, and the space available. All those site-specific considerations come in. The shipping containers are not necessarily visually fantastic but they do serve a function. They are secure. They would probably be seen as, I guess, a lesser priority than upgrading a pavilion, for example, to meet female friendly guidelines or whatever it may be.

**MS LAWDER:** In terms of lists of ovals and upgrades and maintenance generally, from what I can see there is open portal data about sportsgrounds in the ACT. A year ago—the most recent one I could find—122 sportsground were listed and on 36 of them the irrigation was listed as off or partially off. You have spoken about some upgrades of lighting and other things. Is there a plan to turn on the irrigation and upgrade the playing surface of all or any of those 36?

**Ms Berry:** Are you referring to the ovals that were originally turned off during the droughts?

**MS LAWDER:** Yes, but they have irrigation systems in place.

**Ms Berry:** And some of the irrigation system are not working any more. That is the case for Higgins, for example. Some are just so old that they need to be replaced.

**Mr Alegria:** Ms Lawder, you are right. We refer to them as neighbourhood ovals now. They are effectively dry land open space and are managed as such. Turning the irrigation back would not result in the reinstatement of the ovals, even if the irrigation system were functional. We would have to start again with soil and turf and all the rest of it. It is almost building a new oval from scratch to reinstate a neighbourhood oval. Unfortunately, it is not as straightforward as turning on an irrigation system. In most cases these ovals have been closed for many years and the irrigation systems, if usable, would be inefficient and would not have our modern controlled systems built in. Unfortunately it would be a relatively expensive exercise.

**MS LAWDER:** What would be the average cost to reinstate an oval to playing condition?

**Mr Alegria:** Well over \$1 million.

**MS LAWDER:** At Higgins I think it is \$306,000 over the forward estimates.

**Mr Alegria:** The minister referred to \$1.25 million.

**Ms Berry:** That was the election commitment. Additional funding has been announced in this budget and provisional funding for pavilion works.

**Mr Alegria:** That is probably a good example: \$1.25 million just to do the surface, not including the pavilion.

**MS LAWDER:** So what is the total for Higgins?

**Mr Alegria:** There is \$1.25 million in the next two budgets in total, and there is a

provision in 2019-20 of \$600,000 which may be allocated to the pavilion. So the \$1.25 million effectively gets the sportsground, the irrigation and the lights.

**MS LAWDER:** I think you said there are two square ovals.

**Ms Berry:** Rectangle ovals.

**MS LAWDER:** Is it two ovals or more than two ovals?

**Mr Alegria:** There are two hectares of land in this project which give us two rectangular ovals. If it were a different configuration it might be a slightly different area. But that gives you the order of magnitude of what it costs to restore.

**MS LAWDER:** Although in this case you are adding things like lights and replacing the irrigation systems?

**Mr Alegria:** Yes.

**MS LAWDER:** But you are saying it is still over a \$1 million to restore just one neighbourhood oval?

**Mr Alegria:** Yes.

**Ms Berry:** At least.

**MS LEE:** Ovals for which responsibility is transferred to schools, for example, Red Hill, can you confirm how that works? What is the relationship?

**Mr Alegria:** If the oval was managed by the Education Directorate it will be their responsibility to manage and maintain. If they wanted to develop it they would be able to do so subject to their own financial and strategic objectives.

**MS LEE:** So that now comes solely under the Education Directorate?

**Mr Alegria:** That is correct.

**MS LEE:** Once an oval is transferred to a school, the school takes all of the responsibility?

**Mr Alegria:** That is correct.

**MS LEE:** When responsibility for an oval is transferred from TCCS to the Education Directorate budget is that reflected in the budget?

**Mr Alegria:** That would generally be the case with an asset transfer. It would depend on the arrangements with the particular transfer. Sometimes they are transferred without funding—

**MS LEE:** What about the Red Hill one?

**Mr Alegria:** I do not have the history of that.

**Ms Berry:** I cannot tell you about Red Hill, but I will take that on notice.

**MS LAWDER:** Can I confirm that when it is transferred to the school it goes with funding? It is not just the asset that is transferred. No? Was there any transfer from what you may have paid previously for top dressing, line marking, watering? Did that money go from your area to the school?

**Mr Alegria:** I think, as the minister said, we would need to come back to you on that specific example.

**MS LAWDER:** Sure. I mean, in any example—not specific.

**Mr Alegria:** It depends. It depends on the nature of the transfer, what the receiving agency is prepared to accept and what the giving up agency is prepared to accept; it is a negotiation, yes.

**MS LEE:** That is done on a case-by-case scenario?

**Mr Alegria:** Yes.

**Ms Berry:** Melrose is an example of a partnership with city services, sport and rec and education; how that oval is managed at Melrose and how the funding was done to put it together.

**MS LEE:** Right, and that is both directorates?

**Ms Berry:** Yes, because the school gets use of it, but sport and rec hire it out to sporting organisations as well. There is that relationship, as has been described, on a sort of case-by-case basis.

**MS LEE:** I understand that you are going to come back to us to confirm, but if Red Hill has been transferred to the school and it is now under the responsibility of the education directorate, does the public still have access to that oval or is it up to the school?

**Ms Berry:** I am going to have to go back to my education portfolio and find out. I just do not know about Red Hill specifically.

**MS LEE:** Okay, no worries.

**Ms Berry:** We can take it on notice.

**MS LEE:** That would be great, thank you.

**MS LAWDER:** Is Melrose oval a public oval or is it locked when it is not booked?

**Ms Berry:** No.

**Mr Alegria:** We can take that. Melrose is a particularly high standard oval. It is equivalent to an enclosed oval; so it is generally locked. It is not available for public use. It is a synthetic pitch as well; so it is not really suitable for anything other than sport. I know that certainly Red Hill, that oval that you are referring to down the bottom, is not a fenced oval. That is used by the local community. However, I think the minister would agree that generally schools are often fenced these days. Obviously that means that the fenced area is not publicly accessible, but there may be land outside that is publicly accessible. Again, it is a—

**MS LEE:** It depends.

**Mr Alegria:** case by case situation.

**MS LEE:** While you are taking some of those questions on notice, would you be able to confirm the cost of maintenance of the Red Hill oval? How much is being spent from the TCCS budget and how much has gone over to education?

**Mr Alegria:** Nothing has been spent from the TCCS budget since it was handed to education.

**MS LEE:** When was that?

**Mr Alegria:** That was many years ago, I understand.

**Ms Berry:** Yes.

**Mr Alegria:** I would have to come back with the date, but it was—

**MS LEE:** Could you provide the date of the handover and how much is being spent, I suppose, now out of the education budget.

**MS LAWDER:** Just to expand on that, could we have for each of the past eight years which ovals, and where they are, were handed over to schools from TCCS? Are you able to provide that information?

**Mr Alegria:** We can certainly try.

**Ms Berry:** We can try to figure it out.

**Mr Alegria:** We can try, yes. Many of these ovals were handed over in the misty past. We will do our best.

**Ms Berry:** Yes.

**MS LEE:** Thank you. We are lucky you are the minister for both areas, actually.

**Ms Berry:** Yes.

**MS LE COUTEUR:** Again, my question is about an oval, but it is the Boomanulla oval. Basically, it is good to see the money in the budget to restore it, but once this

wonderful thing has happened, who will be responsible for the ongoing management and maintenance of the oval?

**Ms Berry:** In the first instance, the ACT government will manage the oval. We are doing that in close consultation with the elected body and the Aboriginal and Torres Strait Islander community. I have gone about making that decision to get ahead and get the space open for use by the community, not with any fanfare or anything, but just to get started on restoring that place as a place that can be used by the Aboriginal and Torres Strait Islander community and others.

In the first instance, it will be working very closely with the Aboriginal and Torres Strait Islander community and the elected body, managing it with very open and considered input from the community about how that would work, how the management of it would work in the first instance after it has been restored to be a place that people can use as a neighbourhood oval, but not as a sporting facility at the moment.

**MS LE COUTEUR:** It will be open as an oval but not a sporting facility?

**Ms Berry:** No, more like a neighbourhood oval.

**MS LE COUTEUR:** Sorry, I just do not know enough to know what the difference between a neighbourhood oval and a sporting facility is. I mean—

**Ms Berry:** It is used for informal recreational use rather than actually playing sport with—

**MS LE COUTEUR:** Rather than sort of competitive organised sport.

**Ms Berry:** Yes.

**MS LE COUTEUR:** I think of both of those as being sporting facilities, but I will admit that I am not a player of organised sport. You said your directorate will be managing it in the short run. How do members of the Indigenous community access it and how will they access it?

**Ms Berry:** We are not really at that stage yet. We are still working with the community and the elected body about what that is going to look like. We will have to have those conversations continuing as some work is done on the place. I do not know where it is up to. Maybe we can give a bit of an update on where it is up to. Yes, we have committed to work very closely around how that management will work to make sure that people have access in a way that is satisfactory for everybody.

**Mr Corrigan:** We are confirming the scope of the rehabilitation works with the Indigenous communities at the moment. We have commenced some early demolition work. I have actually been to the oval recently. Unfortunately, it has fallen into a fairly derelict state. We are cleaning the oval up, as the minister said, to make it sort of an informal recreational facility, mainly.

Some of the older buildings there need a fair bit of work. There is a fair bit of damage.

A bit of vandalism has occurred. We are fixing that up. We are fixing up the perimeter fencing. Also, a lot of the landscaping is overgrown and some of the trees need serious attention. So we are commencing that work.

In respect of the whole scope of these works, we are doing them in consultation with the community. We are sensitive to that. That takes place over the rest of this calendar year and into next year with a view of having that facility for informal recreation.

We would like to see it publicly accessible as well, but there is a sensitivity there because the oval itself is very deeply cared for by the Indigenous community—the memorial gardens and those sorts of things. We are managing that very carefully because, obviously, that has a lot of meaning. That is currently where it is at. The funding that is available will continue that.

To your original question, TCCS will manage that site for the next couple of years at this stage, at least. That allows further consultations to occur with the community about what its long-term management arrangements could look like.

**MS LE COUTEUR:** As you mentioned, it is more than just an oval; there are buildings there. Will it be available to be used as a community hub? What will happen with the buildings?

**Ms Berry:** Again, that is the work we need to do with the community about their vision for that space as it is restored. That has not been detailed yet.

**Mr Alegria:** The building will be made functional again. It is not just the oval itself; it is the building and the surrounds. The key objective is to reactivate the space. The key driver is to get people using it again, particularly the Indigenous community.

**MR MILLIGAN:** What is the estimated cost to bring back Boomanulla Oval to a state where it can be used?

**Ms Berry:** Which part of it?

**MR MILLIGAN:** The oval, including the buildings?

**Ms Berry:** How long is a piece of string? Significant work needs to be done. It depends on whether its previous state is suitable or acceptable or whether the community sees other uses for it. It is quite a big space. We are working with the community in the first instance to restore and reactivate it as a place for recreational sporting use, not organised formal sports. Then we will continue to work with the community about longer term goals and aspirations for that site. You could not put a price on it right at this point.

**MR MILLIGAN:** One of the responses I got to a question on notice was around \$3.5 million to bring it back. That is a lot of money to invest in an oval to be used just for recreational purposes and not sporting events. That seems to be money wasted. How many expressions of interest did you receive in relation to the management and operation of Boomanulla Oval when it went out to tender?

**Ms Berry:** Tender for what, sorry?

**MR MILLIGAN:** The management and operation of Boomanulla Oval.

**Ms Berry:** From when? Are you are talking about now as we are restoring it?

**MR MILLIGAN:** You are restoring it, but you also requested expressions of interest for the management and operation of Boomanulla Oval. How many organisations submitted expressions of interest?

**Ms Arthy:** Are you referring to the tender a few years ago where we are now into the process with Winnunga, or is it the more recent one?

**MR MILLIGAN:** The more recent one where Winnunga put in an expression of interest to manage and maintain that oval.

**Ms Berry:** You are talking about two things, and that is why I was confused. The first part is that we are reactivating and restoring parts of that facility in close consultation with the community, understanding that it is of cultural significance to the Aboriginal and Torres Strait Islander community in the ACT but also across the country. The oval was closed because of management issues around it. There was a request for tender and a number of organisations put in expressions of interest and Winnunga were successful. That is all I can say about that part.

**Ms Arthy:** I will carry forward a little bit of the story and then hand to Mr Bailey. In June 2016 Winnunga was invited to respond to a request for tender for the longer term matter. It has been a rather complex process and we are still in that process. The chair of the panel, my colleague sitting on my left, wrote to Winnunga in May this year to try to take the process to the next stage. There are further meetings in the next week or two to work it through with Winnunga.

But, as the minister said, two separate processes are running at the moment. The first priority is to get Boomanulla open, and then there is the longer term work around the future management and design of the sector.

**Mr Bailey:** I think that covers it all. To answer your initial question, there were three original tenderers and we short listed it to one.

**THE ACTING CHAIR:** Thank you very much, minister and officials, for appearing. We will now adjourn for lunch and resume at 2 pm.

**Hearing suspended from 12.42 to 2.01 pm.**

Appearances:

Gentleman, Mr Mick, Minister for Police and Emergency Services, Minister for the Environment and Heritage, Minister for Planning and Land Management and Minister for Urban Renewal

Environment, Planning and Sustainable Development Directorate  
Brady, Dr Erin, Deputy Director-General, Land Strategy and Environment  
Walker, Mr Ian, Executive Director, Environment  
Iglesias, Mr Daniel, Director, ACT Parks and Conservation Service  
Kendall, Mr Matt, Senior Manager, Catchment Management and Water Policy

**THE ACTING CHAIR:** Welcome, minister and officials. We are now on EPSDD and a range of things relating to the environment. Again, I think many of you have been here before, but could you confirm that you have read the pink privilege statement and you acknowledge it?

**Mr Gentleman:** Yes, we have.

**MS CHEYNE:** I might hand over to the Chair.

**THE CHAIR:** Sorry, we were a little late. Ms Lee, we are up to you for a substantive question.

**MS LEE:** I want to start with the topic of water, water, water, if that is all right. In regard to the ACT water strategy, can you tell me at what capacity ACT water catchments are at present?

**Mr Gentleman:** Almost full capacity. I can get you the detail on gigalitres, probably on notice.

**MS LEE:** On notice, yes.

**Mr Gentleman:** We have had some good rains. We have not had any recent good rains but we had enough good rains to keep our water levels at a reasonable level, so much so that the new Cotter Dam is now holding water for us that will last quite some time. In fact, we are now looking at whether or not we need to have some of the backups that we had before for our water system. I am very pleased that Cotter has come on line and is doing the function that we proposed for it.

**MS LEE:** That is taking into consideration, obviously, the projected increase in population of Canberra and unpredictable weather, rain and all that?

**Mr Gentleman:** That is right.

**MS LEE:** What is the modelling review mechanism you use to ensure that we are at the good levels that we are at now?

**Mr Gentleman:** I might ask directorate officials to come and give you the detail of

that modelling.

**Mr Kendall:** As the minister said, the dams have a significant volume of water. Those volumes are recorded on the Icon Water website and are accessible to the public. In a general sense the ACT has a sustainable diversion limit, that is, the amount of water that we can use under the Murray-Darling Basin rules, if you like, of approximately 42.7 gigalitres. Our current use is around half that level.

ACT residents have really done a fantastic job since the drought in reducing their water use to the point where our per capita water use has come down from the high hundred-kilolitre per year numbers to about 110 kilolitres per person per year. The population is growing, certainly, and the forward modelling looks at the water supply, the population needs.

There are a number of changes obviously in terms of future population. We do not have the big blocks that we had in the past. Irrigation of back yards was a big part of the water use. We have also, over the past 10 years, brought in things like the water sensitive urban design code which requires that new developments have a significantly lower level of water use through things like rainwater tanks, water efficient devices and so forth.

**MS LEE:** What testing was done to ensure that the ACT's water quality is the best?

**Mr Gentleman:** There is quite a lot of testing that occurs, both in water that is available to the public through our system but also water that comes down to the catchment areas as well and is stored in the dams. Have you got some of the detail of that?

**Mr Kendall:** Again, that is reported publicly each year through what is called the national performance reports. The Bureau of Meteorology prepares those, and they benchmark the performance of water utilities right across Australia. Icon Water and the ACT government participate in the preparation of those reports. Icon Water compare very favourably to equivalent utilities in other jurisdictions. That information is publicly available as is a time series of that information.

**Mr Gentleman:** I can advise too that capacity is 69 per cent at the moment.

**MS LEE:** What strategies and what relationships does your directorate have with TCCS to ensure that people are using water wisely, including not hosing things down the drain? I know that there is the very obvious H2OK and only rain down the stormwater drain campaigns. What is the relationship that you have with TCCS to ensure that this message is getting out to the public?

**Mr Gentleman:** We do have a good relationship working with other directorates, particularly TCCS in this case, but the education campaign is more for the public as well as industry at the same time. We work with industry, particularly those industries that need to use contaminants, for example. We need to ensure that the catchment apparatus for those contaminants is in place in the industry. A good example, I think, is areas of the industry in Fyshwick in my old work, automotive. Each of those areas needs a catchment tank at the back to ensure that nothing untoward goes down the

drain, for example.

**MS LEE:** How many times have Lake Burley Griffin, Lake Tuggeranong, Lake Ginninderra and Yerrabi Pond been closed due to algal bloom or other pollutants?

**Mr Gentleman:** Quite a number of times. In the early days of Lake Burley Griffin it did not close at all; there was no algae in those days. It is only since the city has grown and we find that residents are using materials that go down the drain—nutrients for example—that create the algal bloom at the end. The actual number of closures—do we have those?

**Mr Kendall:** We have certainly got those numbers of closures. We are working at the moment to prepare a report card on the first implementation plan of the ACT water strategy. Lake closure is one of the datasets that we will be releasing in that report card. That is scheduled for report shortly and includes those statistics on lake closures for the three lakes: Lake Ginninderra, Lake Tuggeranong and Lake Burley Griffin.

**Mr Gentleman:** I think it is going to be quite interesting to see how the water quality changes after we finish the healthy waterways projects. We have already seen a really good result for Upper Stranger Pond where we cleaned out all the carp. Some two tonnes of carp were cleaned out. We cleaned out the bottom of the water system, refreshed it with new water and introduced some 20,000 native species fish, as well as some environmental logjams and that so that the fish and animals can nest there. The water at Upper Stranger Point is crystal clear at the moment. It is absolutely fantastic. I am really looking forward to the rest of that project rolling out and seeing those results in our lakes.

**MS LEE:** That report card that you are talking about is going to have a comparison of before and after; is that right?

**Mr Kendall:** Yes.

**MS LEE:** In terms of stats?

**Mr Kendall:** It will present the statistics for the last period of time for closures in all those lakes. As part of ACT healthy waterways, we have engaged the University of Canberra to look specifically at in-lake research. That will include, I guess, more of what you are alluding to there. The University of Canberra will be looking at Lake Tuggeranong as the main focus of that work and looking at the nutrient balances—how much nutrients come in from the catchments to Lake Tuggeranong—and then how much is stored in the sediments and is effectively re-mobilised through in-lake processes.

They will then look at the range of interventions and, if those interventions were put in place, what would the difference, if you like, be in terms of the condition of the lake. That goes to things like blue-green algae and lake closures.

**MS LEE:** When will the report card be available?

**Mr Kendall:** The report card is due for release shortly, certainly in the next month or

two. That research work by the University of Canberra is underway currently, scheduled to finish by June 2019.

**MS LAWDER:** Are you able to take on notice for those lakes and also Yerrabi pond the number of closures in the past three financial years due to blue-green algae or other causes and then list those other causes?

**Mr Kendall:** I am happy to take that on notice and provide the information which we have.

**MS LEE:** When will the biological control of the carp start?

**Mr Gentleman:** There are still some conversations with environment ministers across Australia on the time line for the process. Ministers have agreed that the process should go ahead, but we are just working through the time lines now. The virus appears to work quite well from the reports I have been given. The concern for local councils is the cost of clean-up. If we got two tonne of carp from a small water body like Upper Stranger Pond, you can imagine the amount we are going to get from Lake Burley-Griffin, for example. I am sure the federal government through the NCA will help us out there, but some of the smaller councils in New South Wales and Victoria are quite concerned about the cost to them. That is what we are working through at the moment.

**MS LEE:** Are you satisfied with the research that has been done to assess impacts on other species?

**Mr Gentleman:** Yes. As Mr Kendall was saying, quite a bit of research is being done with UC. We have talked to some of the professors about the work they are doing. There were 7,000 samples in a short period when we did the work with them at University of Canberra. They were able to look at each of those water samples, particularly around Lake Tuggeranong, to get a really good study of how that can be improved.

**MS LEE:** And you are pretty confident it will not have a detrimental impact on other species?

**Mr Gentleman:** Yes. It has been scientifically shown that the carp virus will not impact other species. Of course, if the biomass left at the end of the process is not cleaned up in a timely manner, that can certainly affect species.

**MS LEE:** Are there certain waterways in the ACT that will be targeted? You have talked about Lake Tuggeranong. Will it be rolled out elsewhere?

**Mr Gentleman:** Certainly. The whole city.

**MS LEE:** Where does tree protection come into it?

**Mr Gentleman:** In this process?

**MS LEE:** In terms of waterways.

**Mr Gentleman:** Tree protection is considered by the Conservator of Flora and Fauna in processes around healthy waterways projects. A number of works have been done, particularly along the Molonglo River with the removal of invasive species. All of these groups talk to each other within our directorate when these programs are going forward.

**Mr Kendall:** In the ACT healthy waterways design and implementation of the new ponds and wetlands and rain gardens, minimising removal of trees is one of the objectives. The project has looked at a large number of sites and the feasibility of those sites included the on-ground conditions and trying to minimise impacts on existing vegetation.

**MS LEE:** The healthy catchments through better water management program indicates that the government will investigate establishing an interstate water entitlement trading scheme. Can you give me a bit more information on that?

**Mr Gentleman:** Yes. Ministers who attend Murray-Darling Basin Authority meetings have talked about possible water trading for the future. It is not finalised yet, but there is a bit of interest there, particularly the announcement by the Murray-Darling group that 450 gegalitres will be delivered to South Australia in this process. We are looking at water savings across the ACT. We feel we can achieve some very good urban water savings in particular to put back into the system. All other states in the system are doing their piece to achieve that, too.

**MS LEE:** Do you have details of the ACT government's current water entitlement?

**Mr Gentleman:** Yes, we do.

**Mr Kendall:** We work closely with Access Canberra and the EPA, which administers the entitlements. I do not have the figures at hand but we can take that on notice. One of the areas we are working through with the preparation of the ACT's water resource plan under the Murray-Darling basin is making sure our entitlements are consistent with the sustainable diversion limit I mentioned previously. As the minister said, that also feeds into the water trading.

Water trading is commonplace in other jurisdictions. The ACT has not yet had interstate trading, and setting that up is a focus. That would provide flexibility to potentially sell water now while we have spare water and then trade water in to meet the needs of a growing city, going back to your earlier question.

**MS LEE:** At any time in the past 10 years has the ACT been in a position to require water to be diverted from the Murrumbidgee Water?

**Mr Gentleman:** We looked at a backup process in case our potable water supply reduced. A pipeline was put in from the Murrumbidgee River at Angle Crossing across to Googong Dam. The pipeline remains active. Icon Water manage that pipeline, but the only pumping they have done is for testing and maintenance. We have not had to use the pipeline at this point.

**MS LEE:** In terms of the one-off support for the Molonglo Catchment Group, the Southern ACT Catchment Group and the Ginninderra Catchment Group, will \$352,000 be sufficient for these groups to operate while establishing themselves under a new competitive grants scheme?

**Mr Gentleman:** It is partial funding that will keep them running for a while. The federal government has ceased the Landcare funding to help these particular groups. They have come to us and said, "Can you help us out for at least a short period of time so we can establish ourselves into the new regime?" I think that is a good idea.

At the beginning of the hearing I was going to thank our volunteers across the ACT. Our Waterwatch groups, our catchment groups, and groups such as Frogwatch that look after our smaller animals do a fantastic job. It is worthwhile funding them for sure. The evidence they provide to government from the work they do is invaluable. It is really worthwhile funding them.

**MS CHEYNE:** What support are we giving to Frogwatch?

**Mr Gentleman:** In total it is \$352,000 for all those groups.

**MS LEE:** How are funds divided or distributed?

**Dr Brady:** Just to clarify, the \$352,000 is for those catchment groups. Frogwatch has ongoing funding from internal funding in the directorate. I think it is around \$42,000, but I can get the correct number for that. It is funded with ongoing funding internally.

**MS LEE:** Not from the \$352,000.

**Mr Gentleman:** No.

**Dr Brady:** No.

**Mr Gentleman:** It was just one of the groups that I was thanking in the whole team.

**MS LEE:** How is the \$352,000 distributed?

**Mr Kendall:** I can have a go at answering that. We are currently in discussion with the chairs of each of the three catchment groups about the best way to support them over the coming 12 months. The total amount is \$352,000 and there are three groups. Those discussions will inform the best way to provide them support in what is a transition phase for them effectively.

**MS LEE:** I will finish the line of questioning here. Are there any conditions attached to those funds? How will the money be acquitted? Has that level of detail been discussed yet?

**Mr Kendall:** That is part of those current discussions with the chairs of the catchment groups.

**MS LEE:** I have a final question on the Sullivans Creek flood management plan. What triggered the review? What caused the flooding that occurred in that area—O'Connor and Lyneham, including EPIC—in February this year? What caused that? What can be done to make sure that that does not happen again or is that truly a one in a hundred-year occurrence?

**Dr Brady:** That project is actually part of a broader project that we want to look at in terms of infrastructure capacity. The timing of the event earlier on this year was timely in some respects in that it unfortunately highlighted that there are some things happening in the broader infrastructure system that we probably need to look at.

The broader infrastructure project that we want to look at is how it can help support some of the growth that we are having as well. We will be looking at that catchment and what sorts of measures might need to be put in place to stop certain events happening.

**MS LEE:** Was the review of the Southwell Park retarding basin going to happen anyway or was there a specific event that triggered that?

**Dr Brady:** No, it was part of a broader study that we wanted to do to look at the whole area.

**THE ACTING CHAIR:** Just to clarify, you will take on notice how much funding is provided to Frogwatch from internal sources, or could someone answer that now?

**Dr Brady:** We will answer now.

**THE ACTING CHAIR:** It saves you work later, hopefully. I am not sure whether you are aware that they appeared before us during our community groups day one hearings, which seems a lifetime ago. They talked about how they had previously been funded up to about \$80,000 but were hoping, at least, to have enough for their annual census, which is obviously critical.

**Mr Walker:** Frogwatch in the ACT has been running since 2002; so it forms a really foundational piece of citizen science that has many surveys and many hundreds of people involved in that program. It collects data that supports a range of programs across the directorate and informs things like the healthy waterways program.

Frogs provide an important indicator for things like climate change and also how we manage the environment. We have been collaborating with TCCS about even how they mow around verges associated with wetlands. So that citizen science program delivered by volunteers is important in, I guess, informing and providing a bit of the canary in the mine scenario in a climate change context.

Frogs are important, obviously. In the ACT, we are lucky to have that group of volunteers managing, looking after such frogs as the Pobblebonk, the Corroboree frog and a range of frogs that occur across the landscape. It is a really powerful group to be involved in. Combined with Waterwatch, they provide some particularly important aspects.

In terms of the funding and the specific question, \$40,000 is allocated to them specifically to support them in their annual census work. That will be complemented by additional contract work for programs to assist with climate change studies and to improve, I guess, this urban healthy waterways space as well.

**THE ACTING CHAIR:** Is there potential for there to be contracting work with education aspects as well? I think that makes up a decent portion of their work.

**Mr Walker:** As Matt alluded to, we have currently met with the chairs of the catchment management authorities individually; sorry, the catchment groups individually. That shows a little of the history of where I am from. We have another workshop with them scheduled shortly to enable us to discuss exactly the sorts of services that we are looking for the community groups to provide and to support good catchment work.

That includes education opportunities, but also on-ground delivery. Fundamentally, as the minister spoke about, catchment groups do provide that real on-ground practical delivery of work. In those discussions, the groups were enthusiastic about how we can support them to do that, including things such as establishing standard benchmarks around how they operate, standard service delivery requirements and even simple things like good governance, good health and safety practices. That is what government is keen to invest in.

**THE ACTING CHAIR:** We asked Frogwatch for a breakdown. I think they had initially requested \$90,000 but we asked them what is critical versus what is nice to do. I think that for their core capacity and the annual frog census they had requested \$60,000.

**Mr Walker:** We certainly have \$40,000 and I have already discussed that with the group. We have certainly put that on the table. We have got another \$65,000 that we will negotiate; sorry, I will say that again. We have another \$25,000, making a total of \$65,000 that we will have available to discuss particular service delivery requirements around frog monitoring associated with Frogwatch groups.

**THE ACTING CHAIR:** Just to clarify, I think they appeared before us on 15 June. I think they said they were meeting with you the following week. Have they met with you since we spoke with them?

**Mr Walker:** I have met with them and we have had those explicit conversations.

**MS ORR:** I have a few questions that I will ask quickly. We were talking about ACT healthy waterways and you mentioned Upper Stranger Pond. There are a few projects involved in that. In the context of the wider program, can we get a general update on how it is all going?

**Mr Gentleman:** Yes, it is progressing well. With Tuggeranong, for example, we have completed the work at the pond area of Upper Stranger Pond but we are still completing the rain garden that feeds into Upper Stranger Pond. Then, of course, at Isabella Pond, the concrete structures are in place. There is still quite a bit of work to do around the plantings and then the water feature as well.

That, of course, feeds into the weir at Isabella that Ms Lawder would be well aware of. There is some engineering that has been happening there at the same time. That will be completed prior to the completion of the Isabella wetland itself. That is the first part of the Tuggeranong area. There are two other tributaries to come into Lake Tuggeranong as well that are having some work done. For the rest of Canberra, I think I will hand over to our experts.

**Mr Kendall:** There is a long list of projects, as you are probably aware. I am happy to run through those. A lot of that information is available on our website. I can step through it quickly. In addition to the Isabella Pond wetlands that the minister mentioned, and the Upper Stranger Pond rain garden, there is creek restoration of a concrete drain in Monash; wetlands in Holder; a rain garden near the flood memorial site in Curtin; a pond at Athllon Drive, Mawson; a rain garden on Athllon Drive adjacent to St Anthony's Primary School; a rain garden at Fadden Pines reserve; and a pond near the Burns Club in Kambah.

They are all projects that are underway, with construction having commenced. Then there are a further three projects due to start shortly and within the next couple of months there are a further three projects. I am certainly happy to run through those if you want more detail.

**MS ORR:** That is alright if it is publicly available. I will check it out. You mentioned that the water quality is expected to improve. Are there any other factors that you are looking at in doing this, for example, amenity and those sorts of things that you anticipate coming from this?

**Mr Gentleman:** Certainly, I think the education campaign is key. We know that it is the nutrients going into the system that are causing these issues in our lakes. As Ms Lee mentioned, we have done the H2OK program. We do overt campaigning for people to put only rainwater down the drain rather than any other supplements. But we also have a regular program with the Canberra community to ensure that people think about what they are doing with their water, whether it is saving water in gardens or whether it is water that goes down the stormwater drain into our system.

**MS ORR:** You mentioned the collaboration with the University of Canberra about how the success of the project will be measured. Is there anything else you wanted to add to that, particularly about it being not just the water quality? Are you going to be measuring the other aspects of the project?

**Mr Gentleman:** Yes, certainly. A lot of our catchment groups help out in these processes as well. It is a real campaign with us and the Canberra community to deliver better quality in the waterways and therefore into systems further downstream from there. I think it is quite an important campaign. It is the biggest campaign we have had in the ACT in regard to water quality and it is the biggest investment from both us and the federal government as well. The rain garden for Isabella is going to be the largest rain garden in the southern hemisphere. That is my understanding. It is certainly a big undertaking for us, with help from the federal government as well.

**Mr Kendall:** Minister, I can add that part of our reporting to the commonwealth is

around the monitoring and evaluation of the project. That covers the water quality performance of the infrastructure that has been put in place, the results of the research work, but also the associated activities certainly have been an interest.

There was a large study undertaken about three years ago now called *Discovering the social expectations of waterways*. The University of Canberra surveyed community members. We had nearly 4,700 responses from the community about how they use and value the waterways, ponds and lakes in the ACT. We are looking at the feasibility of repeating that work to give us, effectively, a before and after as it relates to ACT healthy waterways. That would also be very useful to inform future planning here in the ACT.

**MS ORR:** I would like to talk about the additional funding that has been provided for the eradication of rabbits and hares at Mulligans Flat. Can you update the committee on the status of the works extending that predator-proof fence please?

**Mr Gentleman:** Certainly. Mulligans is a fantastic story, I think. It is a great way of letting the community know what we can do for threatened species. Of course they have been doing a great job out there ensuring that we can reintroduce some of these species that are threatened or, perhaps, have not been in the ACT for quite a long time.

We were chatting last night at a woodlands forum about some of the animals that are coming back. I have memories of the bush stone-curlew from early Canberra. There is quite an incredible call that this bird has. It has not been around for some 50-odd years. It does bring back some fond memories for me. I will hand over to Daniel to tell you about the work that is happening.

**Mr Iglesias:** I think it is remarkable what we have at Mulligans Flat. It is remarkable in itself but the relationship that we have built with the community and academia is actually a model that is unique in the country. We have been able to return to the Canberra community animals that we have not seen for ages. If you look at other sanctuaries across Australia, they are all out the back of Woop Woop, literally, and people do not often get to even experience them. Here we have an opportunity to have unlimited access by people 24 hours a day. Sometimes you can only see our native animals at night.

The key issue with that has been how we have been able to manage rabbits. The Mulligans Flat sanctuary is the first sanctuary of its type to have achieved a zero rabbit population. We have effectively eradicated them. That is extremely difficult to do with rabbits at the best of times. It has been a long process. When I reflect on where we were, say, five years ago without the trust, I do not think we could have done it.

**MS ORR:** What is the method of eradication of the rabbits?

**Mr Iglesias:** It varies over time. You start managing rabbits in a certain way and you end up managing rabbits in a different way. As their numbers decrease, it becomes incredibly difficult to get that last rabbit. Some of my rangers have made it very clear to me that it is not every day that they get to spend night after night after night looking for that final rabbit and not finding them in minus four degree temperatures. But that

is what you have to do. You have to be persistent and you have to have that tenacity to find rabbits. We have used traditional methods but we have also used sneaky methods as well. We have actually used a rabbit and marked it with a collar in the hope that other rabbits will come and play with it.

**THE ACTING CHAIR:** You can use other words. We talk very openly in this committee. Ms Orr, a supplementary.

**MS ORR:** I have got a supplementary but not necessarily on that specific topic. The eradication of rabbits and hares, that is, the budget commitment, is by the predator-proof fence, is it not?

**Mr Iglesias:** Yes. We have actually extended the fence. We have got money in next year's budget to actually extend that eradication process into the extended sanctuary. We have eradicated from the existing sanctuary and now we have got money to eradicate it from the extended area as well.

**MS ORR:** The budget commitment in here is not just to build the fence but to do eradication work but then extend the fence?

**Mr Gentleman:** That is right.

**MS ORR:** There is also a funding commitment in here for the eco-tourism woodlands learning centre. Can we get a bit more of an idea of how that is going to fit in with all the other work that Mulligans is doing and what they achieve?

**Mr Gentleman:** Yes. This is for the visitor centre. It is shared by us and a benefactor who is helping out Mulligans as well to build an eco-tourism visitor centre for Mulligans so that we can do not just the work on the ground but tell more of the story to those in the Canberra community and also those visiting as well. It is a fantastic opportunity. Daniel will give you some more detail.

**Mr Iglesias:** Potentially within, I think, two years that woodlands land trust will have what they are calling a woodlands learning centre at Throsby—the land has been identified—to basically construct Australia's first woodland learning centre right on the doorstep of the Mulligans Flat sanctuary, right amongst the community of Gungahlin.

We have an amazing opportunity to tell a story. As far as Canberra is concerned, our big thing is our endangered woodlands as far as the environment is concerned. That is what we have that a lot of the rest of Australia does not have. We have a unique opportunity to tell an amazing story about our woodlands and about the animals that live in them and to do it in a way which is right here amongst the suburbs. Within 20 minutes of arriving at Canberra Airport you could be experiencing endangered woodlands in Gungahlin. That is, again, a partnership which has been led by the trust, which is supported by government and which I do not think would be possible if that relationship were not there.

**MS ORR:** Noting that Mulligans is the one putting in the visitor centre but you have got that close relationship with them, can you give us any idea of what the community

can expect from that centre?

**Mr Iglesias:** Sure. On the drawing board is a large building with a learning space, with a cafe, with an area for scientists to interact with the community. There will be spaces for interpretative displays. There will be play spaces that will use, quite imaginatively, the local environment and will introduce young people into the whole idea of endangered woodlands.

**MS ORR:** Can you give us a bit more detail on the opportunities that the visitor centre will provide and will actually help with the ongoing conservation work at Mulligans?

**Mr Iglesias:** Sure. What it will be is a bit of a hub for scientists and for government to actually operate in. It will give us the opportunity to continue this concept of an outdoor laboratory. Our colleagues in the Fenner School like to describe the partnership as an outdoor laboratory because that is exactly what it is. Since we created the Mulligans Flat sanctuary there have been many hundreds of specific research initiatives that have taken off and have actually increased our understanding of how woodlands function, what the threats are to those woodlands and how we might as managers respond to those threats and be quite hands-on as to how we respond.

We think that there is an opportunity to invite the community to participate in some of that. In some of the actual work that we will be doing there will be an opportunity for the community to participate in quite a hands-on way, both at the actual learning centre but also through guided experiences in the sanctuary.

**MS LAWDER:** I have got some heritage questions. I would like to start off by referring to the upcoming anniversary of the Apollo 11 moon landing. I see in the budget the upgrading of the walking track between Orroral Valley and Honeysuckle Creek and the geodesic dome, which would be a lovely walk, I am sure. Can you talk me through the rationale, how you arrived at that decision to do that particular trail as part of a commemorative event of the upcoming 50th anniversary?

**Mr Gentleman:** Certainly. This is one part of the commemoration for the moon landing. We are still working on some other opportunities as well. Daniel Iglesias came up with this idea after a conversation and some work that we did between my office, the directorate and his area in the directorate, looking at the opportunity to tell the broader story about the heritage of the area both in the modern sense of the moon landing but also in the heritage sense from our Indigenous culture that was there at the time.

As you have seen in the budget papers, it explains that we want to do a story about Ngunnawal to NASA to be able to bring people along through the story of the early star watchers of the Ngunnawal people, for example, right through to the moon landing that occurred. As you say, the anniversary is coming up next year. I will pass over to Daniel to give you some more detail on that though.

**Mr Iglesias:** One of my great regrets is that we missed an opportunity with that movie *The Dish* to actually explain that it was the facilities in the ACT that were paramount

in transmitting some of those images specifically at the Orroral tracking station and at Honeysuckle tracking station. I do not know the IT around it but there was lots of bouncing of signals going on. Both those facilities were critical in ensuring that the images got onto people's television sets. Both those facilities existed within Namadgi national park. Our staff reflected on that and thought what a great opportunity to not only tell that story, which is significant in itself, but to draw attention to the fact that the first people that ever lived here were the first stargazers and they looked up into the sky in Namadgi and basically created their culture, started to create their culture through their stories and through the interpretation of what they saw.

The 50 years is an opportunity for us to honour those people who worked in the ACT during that time but also to tell that greater story of the amazing linkages we have with our past in this place and the fact that it is an unbroken chain of human habitation now for upwards of 50,000 years.

**Mr Gentleman:** It is worth while noting too that in the audience in the gallery, as you would be aware, we have some original O'Connor workers from Honeysuckle and Orroral. Good on them for coming along today too. It is wonderful to see them here.

We have of course the anniversary of the moon landing coming up in a couple of weeks, as we do each year. We remember what it was like at the time. I can say to them and to you too, Ms Lawder, that we are also looking at some other work that we can do here in the city itself.

We have had some early conversations with NASA. I visited the NASA Ames Visitor Centre and spoke to a shuttle astronaut. That was a good experience. I spoke to a number of others too on how they might be able to help us celebrate the anniversary of the moon landing next year. Indeed the Chief Minister and his directorate have been talking to NASA as well.

**MS LAWDER:** Excellent. Mr Iglesias acknowledged the significant contribution of the Orroral Valley, Honeysuckle Creek and Tidbinbilla tracking stations. Did you engage expert advice in terms of the involvement of the tracking stations and what would be appropriate recognition?

**Mr Iglesias:** We are in the midst of doing that right now to try to understand what opportunities we might have to partner and what stories we might be able to tell. We have some ideas on the ground as to what we can do. Both the Honeysuckle and Orroral sites have seen better days and this is an opportunity for us to spruce them up.

**MS LAWDER:** The idea of the walking track is a great opportunity to commemorate the anniversary. Did you get any particular advice about the appropriateness of that?

**Mr Iglesias:** In relation to?

**MS LAWDER:** The role the individual tracking stations played in the moon landing.

**Mr Iglesias:** We have been speaking to all parties concerned. The idea was discussed at a very broad level but not in any detail. It was a concept, but as we start to plan the process it is obviously a key aspect of it.

**MS LAWDER:** I think the budget papers talk about Orroral Valley and its significance to that particular moon landing. It is my understanding that Orroral Valley did not play any part in the Apollo 11 mission and, in fact, did not play a part in any of the Apollo missions until the Apollo-Soyuz in 1975. So I am a little confused as to why you feel Orroral is significant to the Apollo 11 anniversary.

**Mr Gentleman:** It was certainly Honeysuckle that did the work.

**MS LAWDER:** I understand that; that is not my point.

**Mr Gentleman:** We recognise that, of course. But as we have said in this conversation and as you will see in the budget papers, this is a holistic approach to the celebration of the moon landing and the role played by the original inhabitants of the area, our Ngunnawal elders. We want to draw in Tidbinbilla, Honeysuckle and Orroral to this process. We have had some early conversations with the deep space tracking station; I keep in contact with them and we want to have them involved at the same time.

**MS LAWDER:** I just wanted to point it out because it seemed Mr Iglesias was a little confused about the involvement of Orroral Valley in the Apollo landing. You mentioned, minister, that this is just one part and you are undertaking some other work. Can you point me to where that is in the budget?

**Mr Gentleman:** No, that is not within the budget. We will be doing that in house within the work I do with the directorate, hopefully with assistance from NASA as well and Tidbinbilla deep space tracking station. We think the ANU may be interested as well but we have not started those conversations.

**MS LAWDER:** One of the key parts of the motion in the Assembly in April was the potential for some kind of commemorative artwork or monument, whatever form that might take, in the city area. Would that come from existing resources as well or would that need specific funding?

**Mr Gentleman:** If we go down that track I would imagine it would be a partnership. That is the thought process at this stage. We have just over 12 months to sort through that process. We will be working towards that line.

**MS LAWDER:** Have you established a task force or working group or anything within your directorate to look at specific commemorative events?

**Mr Gentleman:** Heritage look at commemorative events all the time.

**MS LAWDER:** Specifically for the Apollo 11 anniversary?

**Mr Gentleman:** Not a task force. I think there is enough opportunity to do this within the directorate.

**MS LAWDER:** Mr Iglesias, do you want to add anything?

**Mr Iglesias:** No, I think the minister has covered it. The money is there for us to deliver it appropriately, and that is something that we are focused on doing.

**MS LAWDER:** When you look at public artworks around Canberra, some of them cost \$400,000, \$600,000. Do you feel you are able to accommodate something of that magnitude within your existing budget?

**Mr Gentleman:** Certainly not at that spend, no. It would have to be a call on the Treasurer.

**MS LAWDER:** And that is still a possibility within—

**Mr Gentleman:** We are 12 months out, yes. I am not committing to spending that much money though, Ms Lawder, on one artefact. We will go from there.

**MS LAWDER:** Will the ACT government be running any specific commemorative events, or are you relying on other parties, such as the tracking station, the ANU, et cetera?

**Mr Gentleman:** I think there will be a number of events. We will certainly be running some events, but we will do some partnerships as well.

**MS LAWDER:** And when might those plans be available?

**Mr Gentleman:** When they are developed.

**MS LAWDER:** Was there a particular date given in the motion that we talked about in the Assembly of coming back with the plans?

**Mr Gentleman:** I do not recall a date.

**MS LAWDER:** So any future announcements potentially may have to be an additional call on the Treasurer?

**Mr Gentleman:** No. But the figure you displayed today would certainly be a call on the Treasurer.

**MS LAWDER:** I will look forward to further information. The walking trail is in the budget under “More jobs for our growing city”. Is this walking trail contracted out or is it done within existing departmental resources?

**Mr Gentleman:** The funding is in place for this work that you have seen in the budget papers. The work that would need to be done is still to be organised.

**MS LAWDER:** It is just that it is badged, “More jobs for our growing city”. So what does that mean?

**Mr Gentleman:** It is certainly more work for our growing city, yes.

**MS LAWDER:** What does that mean? How will there be more jobs?

**Mr Gentleman:** There is a piece of infrastructure to be constructed. The construction will create work.

**MS LAWDER:** So it is going to be contracted out?

**Mr Gentleman:** No, I did not say that. We will find the best way forward to get that piece of infrastructure done.

**MS LAWDER:** The depreciation, where will the walking trails fit under your existing maintenance programs?

**Mr Gentleman:** It is an accounting treatment in this case.

**MS LAWDER:** Sorry, I should have switched to the maintenance aspect of this new one and then any other walking trails we have. I am sure you are out walking quite a bit around Theodore.

**Mr Gentleman:** Every day.

**MS LAWDER:** But will the construction of new trails such as this one bring additional maintenance dollars or do you have to maintain them within your existing budget even though it is additional kilometres of walking trails?

**Mr Iglesias:** We have a number of walking trails in the system, as you know, Ms Lawder. We are funded to undertake an ongoing maintenance program across the range of our higher use walking tracks. This one would fit into that scenario. We would like to invest in this one in such a way that we minimise maintenance. There are new and modern ways in which we can do that. We build the capacity within our own people to be able to do basic maintenance of our walking trails. It is an important part of being a ranger. We rely on our amazing volunteers to help us with that as well. I am confident that will be covered.

**MS LAWDER:** Is it usually members of the public who report issues? I know you are out all the time as well, so is it a combination of the two?

**Mr Iglesias:** Yes, it is. Some trails get more use than others. This one, I imagine, will be particularly popular when we create it, at least initially. We will have no shortage of advice in relation to any maintenance that might need to happen.

**MS LAWDER:** Has the directorate made contact with the group of ex-employees of the tracking station with a view to involving them in the planning of any commemorative activities?

**Mr Gentleman:** We certainly will. We have 12 months to get that done. We will certainly be in contact with all those players: the employees who worked for the tracking stations, Tidbinbilla tracking station itself, the ANU, and any others that were involved, particularly NASA.

**MS LAWDER:** Great. I look forward to hearing more about it.

**THE CHAIR:** Returning to the environment side of the portfolio, you mentioned feral animals, particularly in our national parks. I note that you have done a bit of media in the past couple of days over feral pigs, and the management of those in our parks. What are the other species that you manage?

**Mr Gentleman:** There is quite a number of feral species in our parks. We have, as you mentioned, pigs; we have horses that come in; and deer. There are a number of other animals as well, dogs, particularly, that have come from the suburbs into the parks. It is quite a job for Mr Iglesias and his team to look after those. We have particularly funded in this budget some work on deer. Sambar deer are an issue particularly for water catchments. They do quite a lot of damage and then pollute the catchment itself; so we are very concerned about the deer. In fact hoofed animals provide the most damage to the catchment area in the sense of upsetting the environment. Other animals cause different contamination to the system. Mr Iglesias will have the detail on that.

**Mr Iglesias:** The minister is absolutely correct. Those hoofed animals have no place in our high-country environments, especially subalpine environments like the upper Cotter catchment, for example. A lot of those environments have not seen those sorts of animals—hard-hoofed animals—and they are actually quite delicate.

The remarkable thing about our catchment is that there are a lot of high alpine bogs and sphagnum bogs which effectively act as a big sponge. When it rains, it absorbs a lot of water, then judiciously releases it into the creeks and streams in a steady way. These animals get into those bogs and they completely destroy them. They smash them, they flatten them and we lose that sponge effect. When it rains, the water just hits and runs. We often get erosion. We get the water going through the system much quicker. It impacts on water quality. It is one of the key things we are focused on in the ACT in keeping some of these animals out of the catchment.

We mentioned pigs and deer but you can add foxes as well. They are a big problem across the ACT, and rabbits as well. In the Gudgenby Valley, in Namadgi, we had huge numbers of rabbits. We had a rabbit eruption about five or 10 years ago. It has an amazing impact in the way it can denude the landscape completely. Now we have an ongoing process where we deal with those rabbits every single year, and we are seeing an amazing response by the environment.

With feral horses, we are lucky in the ACT that we do not think we have feral horses in our high country, because we have a really good program for spotting them when they do come across the border. Again, as a hard-hoofed animal, they would be a priority concern for us.

**THE CHAIR:** What does the program for spotting them involve?

**Mr Iglesias:** Could you say that again?

**THE CHAIR:** You mentioned that you have a very good program for spotting them before they cross the border; what does that entail?

**Mr Iglesias:** We know geographically where the points of entry are; also through previous experience. We have set up some strategic traps in the high country that might have some salt licks in them. We have an automatic camera above them. As soon as we see activity, that alerts our rangers. We will continue to allow the horses to come in and get used to the trap. They will come in and out of the trap, until the point where we think that we might have the entire mob. There might be a stallion with two or three mares and a few foals. They get used to the trap; we then engineer it so that we spring the trap; in they go, because they are used to the trap, and they are not fussed by the fact that the trap has closed behind them. We can then go up there and humanely destroy them. That is what we have been doing for a number of years, and it is very rare to see a feral horse in the ACT high country.

**THE CHAIR:** How often do you intercept horses through that trapping mechanism?

**Mr Iglesias:** We have not had reason to respond to a horse now for the best part of five years. But that is because, when we see activity across the border in Kosciuszko, we have a really good relationship with our colleagues in New South Wales National Parks and we say, "They're getting close," and they respond. That has been an important element of keeping horses out of the ACT which we hope will continue.

**THE CHAIR:** What impact do you think the changes to legislation in New South Wales around the management of horses in the Kosciuszko National Park will have?

**Mr Gentleman:** I have written to the minister in New South Wales asking him to have another look at this legislation. The basis for the legislation, I have been led to understand, is heritage significance for Kosciuszko National Park. There might be a different heritage story there, so we are very concerned that growth in the number of feral horses in New South Wales may well mean that we see more horses come to the ACT. I have asked him to have a look at it. I have also spoken to his colleague Niall Blair, who has assured me that he will have a conversation with him as well.

**MS CHEYNE:** Mr Iglesias, you were just talking about having a very good relationship with New South Wales and that we know where the entry points are. I assume that has also historically been helped by the fact that New South Wales has been culling feral horses. Just to press the point regarding what Mr Wall was asking about, will there potentially be an unprecedented impact on the ACT?

**Mr Iglesias:** It is hard to predict. I would suggest it is about looking at the patterns in previous years, which suggest that in certain seasons horses will do particularly well. What we will be doing with our colleagues is trying to understand what they are proposing to do. New South Wales have not said that they will not do control; it is just that they will not do lethal control. Maybe there is an opportunity for us to sit down with our colleagues and say, "This is a sensitive environment; what are we going to do to focus on this area?"

**MS CHEYNE:** What are some of the non-lethal control methods? Are we talking about castrating?

**Mr Iglesias:** No. My understanding is that the New South Wales authorities are considering capturing them and moving them on, selling them on to people who might

want to break them in and use them for other means.

**MS CHEYNE:** You have lots of experience in this area; do you support that as a measure?

**Mr Iglesias:** It is important to say that in the ACT from our perspective it is about keeping them out. We do that by lethal control, because that is the best result for the Canberra community. It is the best way to do it; it is the most humane way to do it; it is the most practical way to do it. What New South Wales does is a matter for them. I would be very keen to understand what their control measures are and to influence them so that we get the best result in our space.

**MS CHEYNE:** I appreciate that it is a matter for them but, given that we are, for lack of a better word, an island within New South Wales, it does have an impact. I am not sure whether you can answer this; perhaps the minister can: was the ACT consulted at all, particularly when Mr Barilaro started re-prosecuting the heritage significance of the feral horses?

**Mr Gentleman:** I certainly did not receive any correspondence from Mr Barilaro; so it was news to us when it was announced. I will just touch on that heritage factor again. The heritage of Kosciuszko goes back a very long way and horses did have a price on their heads in the very early days. In fact there are photos of the early days of the bushmen that we want to reminisce about that show horses' tails being the piece that you gave to get the bounty on the horse. They recognised in those very early days that horses created a lot of disruption to the catchment areas and our environmental areas. It is sad, I think, that we have come down this track, when it was recognised hundreds of years ago that they did damage. Anyway, it is a bit of work that I think we need to continue.

**MS CHEYNE:** I think there is a balance between how majestic an animal looks and—

**Mr Gentleman:** That is right.

**MS CHEYNE:** what they are actually destroying. Minister, you have written to Mr Barilaro?

**Mr Gentleman:** Yes, that is correct.

**MS CHEYNE:** Are you able to share the contents of that letter?

**Mr Gentleman:** I asked him to re-look at the legislation, gave him advice that I had received on the damage that horses do to our catchment areas and showed my concern that if horse numbers were to grow in the Kosciuszko area they may well come to our catchment area as well.

**MS LEE:** We have been talking about feral horses. Have you had any incidences of non-feral horses being let loose in the national parks and how do you manage those? Are they managed in the same way or are they managed in a different way?

**Mr Iglesias:** Typically at Namadgi there are a number of rural leases, both in New South Wales and in the ACT, that abut the park and there has been one incident of a New South Wales lessee whose horses have decided that the grass is greener on our side and have—

**MS LEE:** I do not blame them.

**Mr Iglesias:** Yes. But that was a much easier case to deal with. Because both parties were wanting the same outcome, it was easily dealt with. To our knowledge, we have not had any clandestine movement of horses that could be attributable to people keeping them.

**MS LEE:** You have talked about a number of the feral animals and I noticed that we have not as yet raised kangaroos. Do I dare raise the kangaroo cull, which was just completed, as I understand?

**Mr Gentleman:** Yes, that is correct.

**MS LEE:** Have you had any incidences of protests? Has that been the same as always? Has it gone up, gone down? Have you had any differences this year?

**Mr Gentleman:** The trend for correspondence to me and other members of government has tended to go down over the years. In regard to protesters, the briefings I have had are that they indeed have gone down as well. I have not had an update as to whether there has been any overt protesting for this last cull.

**Mr Iglesias:** As the minister says, we have seen exactly the same pattern operationally and, whilst there are protesters there, they have been in limited numbers and have had very limited effect on our operations.

**MS LEE:** There has been a recent announcement by an animal welfare group that there is no evidence to suggest that annual culls are required and that there is a CSIRO report to back them up. Do you have a response to that claim by any chance?

**MS CHEYNE:** There are 11 different reports that say otherwise.

**Mr Gentleman:** There are quite a number of reports that have been produced for us and other jurisdictions that show the amount of damage that large populations of kangaroos in smaller areas can do to the environment. Particularly it pushes out any other species that might want to be in the space as well. Mr Iglesias will have the detail of that for us.

**Mr Iglesias:** Since we produced a document called the kangaroo management plan in 2010, which outlines a lot of the science that relates to what kangaroos are doing in the landscape—and kangaroos are an important part of the landscape, they are not a feral animal, they are a native animal and we need them to be in the landscape—the reality is that the landscape in and around the ACT is a human-impacted landscape and we have managed to remove the predator for the eastern grey kangaroo.

In the early pastoral times people would shoot kangaroos. There are records of

pastoralists having to travel for two days on horseback to get enough kangaroo meat to feed their dogs. As attitudes change, as we affect the environment we live in, kangaroos have benefitted. Eastern greys as well as, say, magpies and brown snakes have done really well from human habitation in these parts.

As a land manager, we need to look at that and say, “Are they impacting on the environment and if they are is it an acceptable impact?” Every year we prioritise those areas where we believe it is an unacceptable impact. That is backed up with science, as the minister says. The CSIRO report to which you refer does not make a claim that we should not be culling kangaroos. It does not say that at all.

**MS LEE:** Finally, I think I asked last year about what you do with kangaroo meat and are there any other uses that we could have for it. Is there any update on that, or any changes?

**Mr Iglesias:** No, not as yet. It is important to know that our cull is a conservation cull. We cull animals to protect the environment. We do not cull animals to produce a product for sale. There are different drivers in engaging in the two. There are different protocols. You have to deal with an animal differently if it is going to be used for the pet trade or for human consumption than you do if you are culling it for environmental reasons. In the ACT, it is purely—

**MS LEE:** It is just not viable to use it for—

**Mr Iglesias:** It is a small number. When you think about the tens of thousands of animals that make up the industry, we contributed this year 3,250-odd. It is a small number.

**THE CHAIR:** Has any work ever been done to see whether or not the carcasses can be used?

**Mr Iglesias:** In relation to the commercial trade?

**THE CHAIR:** For commercial purposes or—

**MS LEE:** Or to the zoo maybe?

**THE CHAIR:** Or to the zoo?

**Mr Iglesias:** Yes, we have actually, in the past, approached the zoo. It is open if the zoo saw a value in us providing some carcasses. We use about 12 per cent of our carcasses. We slaughter them and use them as baits for our feral animal control program. But in relation to it being part of a bigger industry, I do not believe we have ever gone into a definitive analysis.

**THE CHAIR:** Why not?

**Mr Iglesias:** Philosophy. The philosophy is that it is a conservation cull.

**THE CHAIR:** Certainly it being a conservation cull, there should still be a

philosophy in there that we do not waste a life just for the sake of it. If there is a chance of it being used for a higher purpose other than just burying it, certainly that is a better outcome than what we currently have.

**Mr Gentleman:** The better outcome is that we provide a better conservation opportunity for the whole environment.

**THE CHAIR:** But you can have a better conservation outcome and also use the carcass for a higher purpose than putting it into a hole in the ground. I am a supporter of the cull but I still find it galling that we have not looked to find a purpose for the carcasses, the hides, and the meat that comes from this in a commercial opportunity or a social venture or something else. There has certainly got to be an opportunity to use the carcasses for something other than burying them.

**Mr Gentleman:** We do use them, as we have heard, for baits but there has not been any other interest to use the carcasses.

**THE CHAIR:** The government is sitting on their hands, waiting for someone to approach them in this instance?

**Mr Gentleman:** No, we have looked around in the past. There does not seem to be any interest.

**THE CHAIR:** Mr Iglesias has just said that you had not actively looked for a commercial alternative.

**MS CHEYNE:** He also said there are not that many. The commercial viability from 2½ thousand, 3½ thousand carcasses makes things very difficult. It sounds like a lot of bloody effort to me for not much return.

**THE CHAIR:** I am curious as to what actually informs the decision that 3,000-odd carcasses is not a viable quantity for the commercial market if it is has not been tested.

**Mr Gentleman:** We will take that on board.

**MS CHEYNE:** On the topic of culling, and going back to pigs, could you repeat what you were saying before about how we capture and kill them? Are we using kangaroo carcasses to attract them?

**Mr Iglesias:** Not in the case of pigs. The kangaroo carcasses—

**MS CHEYNE:** What do pigs want?

**Mr Iglesias:** For the pigs, we use wheat. Over the course of about three weeks in about May, we have a whole bunch of sites in the Namadgi National Park and some other nature reserves as well, and we free-feed with wheat. The pigs come down out of the high country as it starts to get too cold, and wheat is irresistible. They get used to it, and, after a while, we add 1080 poison to the wheat. That is the poison right across Australia that is considered to be the most effective at managing pigs.

For a small proportion of animals that are particularly problematic, we can use traps as well. Again we use wheat to attract them in. There are people that design pig traps, and the design of the trap is such that they can get in but they cannot get out, and that is how we capture them.

This year we are up to 270-odd animals that we have been able to remove out of the high country. As far as pigs are concerned, our pig program is actually recognised country-wide as being one of the few long-term programs that has been applied in a national park that has resulted in really good control of pigs.

**MS CHEYNE:** Maybe I should not ask, but what happens to the pig carcasses?

**Mr Iglesias:** They are disposed of. We do not butcher them up and send them to Woolies.

**MS CHEYNE:** It does not sound like that would be commercially viable, either.

**Mr Iglesias:** Not with the poison in them.

**MS CHEYNE:** No. It sounds like that is quite successful. I am originally from Central Queensland, home of feral pigs—and that is not a metaphor. I see that they recently hosted Australia's largest feral pig hunting competition, which attracted people from around Australia, including from New South Wales, and it got rid of lots and lots of pigs. Have we ever explored having a feral pig hunting competition? It could be a real date on the calendar!

**Mr Iglesias:** I will take your word for that.

**THE CHAIR:** The Chief Minister is looking for a new winter festival!

**Mr Iglesias:** There is an interesting argument regarding hunters in national parks. Hunters on private land are one thing but hunters on public land are another. It introduces a whole bunch of concerns for the land manager in relation to how that hunt is actually carried out. There are questions about public safety; there are also questions about what you are doing to the pig population. Are you dispersing them? Some hunters have an interest in ensuring that pigs remain in an area, so that they can keep coming back and doing what they love to do: hunt pigs. Our experience has been one where we have been able to get a really good result from our program, and we have not had a need to consider that as an option, given that there are potentially some drawbacks in a national park environment.

**MS CHEYNE:** That makes sense. In terms of our weed management strategy and investment, is there any new money in the budget? I am particularly concerned about whether we are getting things that should not be in our environment coming from other states and territories. Are we doing anything to stop that? As I was saying that, I remembered that we have seen some unusual snakes, even at one of our shopping centres, near a bin or something. There is a broader question about what we are doing to stop that, but I am particularly interested in weeds.

**Mr Iglesias:** The fact that the ACT now has an international port has really lifted our

surveillance. Starting from that perspective, we have liaised with our colleagues in the commonwealth space to have a bit of a zone around the Canberra airport, where we have sentinel traps for invertebrates that might be coming in from some tropical destinations and from some other areas as well. That gives us an early warning system, if you like, if stuff were to come in.

With respect to pests from other areas, it generally is weeds. It generally is plants that we see. In any given year, we might be alerted to 20 or 30 species of plants that somehow turn up in the territory. We have had Mexican feather grass, in recent memory. We have had Coolatai grass coming up from the south. In fact African lovegrass had its origins from further south in New South Wales. It came up into the ACT. For us, a response that looks to eradicate those sorts of incursions is money well spent, because it saves us many thousands of dollars in the future in control, if we can eradicate an invasive when it turns up.

As far as those other weeds that we have in the landscape are concerned, it really is a matter of controlling them, keeping them under control. We will not eradicate them. They are just all-pervasive. This budget does have new money to help us do that. In fact this budget goes further than that; it actually identifies money into the outyears as well, which is great for us because we can plan ahead. We can look three or four years ahead and work with the community to start to address some of these difficult weed incursions that we have all over the ACT, and be sure that we will have money for the next three or four years to do that, and even beyond. So this budget is a big positive on that front.

**Mr Gentleman:** It is really important to work with our rural landholders as well. I have had some conversations. We were talking about Honeysuckle Creek. There are areas on Apollo Road where farmers are doing a fantastic job in ensuring there are no incursions of weed on their property, but right next door to them there can be a farm where they do nothing about it. There is a real challenge when people put their heart and soul into working their properties and ensuring there is no weed there, and the next-door property does not do the work. It is a matter of working with those rural landholders at the same time.

**MS LE COUTEUR:** I would like to ask some questions about the strategic assessments for Molonglo and Gungahlin. This is about the long-term environmental protection initiatives for these areas. Clearly, the commissioner for the environment did her audits of those, and the government responded to those audits in the last sitting period. I also want to talk about the offset areas that the ACT has under the EPBC Act. In particular, the Commissioner for Sustainability and the Environment's audit for the Molonglo and Gungahlin strategic assessments found several areas of non-compliance, largely due to failing to meet the deadlines for delivery of commitments. Why are the deadlines not being met? Is there a lack of resourcing?

**Mr Gentleman:** Firstly, can I thank the commissioner for the work she has done. It is the first audit in this sense in Australia, so it is pretty good to see it come out. As you said we have responded to it now. In regard to the particulars about the time lines for some of those operations, I might ask Mr Walker to give you some details around that. It is a learning process for us. Importantly, the process is in place so that we can learn from it and take on board the commissioner's report.

**Mr Walker:** In discussions with the commissioner, she has made a number of recommendations about ensuring that we look at the detail of how operations are undertaken, and ensure that there are some simple guidelines around, in the words of the commissioner, how dozer operators get down into the detail and describe where they should or should not operate. That is a clear task that we can set up in EPSDD, and we have made that commitment with the minister to ensure that there are some simple guidelines that are practical for operators to direct and manage where they occur in the landscape.

**MS LE COUTEUR:** My question actually was about the number of commitments identified in those reports. The minister's response in the Assembly was, basically, that the issue was about timing rather than that they would not be done. They were not being done in the time frame that the commissioner for the environment expected. Why are you not managing to meet the deadlines? Is there a lack of resourcing? Do the strategic assessments need to be given higher priority? What is the actual issue?

**Mr Walker:** It is a timing sequence. It is about working through what the strategies are and implementing the plans that are outlined. In some instances it does take longer to assess the key issues and deal with those in a timely fashion. We acknowledge what the commissioner is saying, and we do have enough resources in place to ensure that that happens. There are sequences of events that mean that you are delayed in some instances. That is a discussion that we need to have with the Australian government as well, on how the strategic assessments are assessed and how time lines are established in those processes.

**MS LE COUTEUR:** Will you be having that discussion with the Australian government? The minister will, I guess. Will the ACT be having this discussion?

**Mr Gentleman:** Yes, we will be. As Mr Walker was saying, our directorate talks to the government agency and advises them of the work that we have already done, and the work that we need to do for the future.

Another thing that the commissioner has indicated is whether there are any penalties for not meeting criteria when you are looking at the EPBC Act. That is a task that she has given to me, to have a conversation with our federal colleagues about it.

**MS LE COUTEUR:** That was a very good question. Another question, possibly not as good, relates to the Molonglo adapted management strategy where it says that the government has to take into account baseline condition assessments for various endangered species, including the superb parrot, the swift parrot and the pink-tailed worm lizard and that these should be regularly measured to see progress or otherwise. What is happening to these species and their habitat in Molonglo and are they still actually declining, not progressing?

**Mr Walker:** Across the ACT we do have a number of monitoring programs established by our conservation research team that specifically look at threatened species status across the ACT. I do not have the specific details at hand but certainly we can provide information about our threatened species monitoring, including the species that you listed as well as a number of other species.

Those programs have been set up using the best science, the best adaptive management approaches to inform ongoing management and in fact the very forum that the minister attended last night about grassy woodlands highlighted the science, the information that is being collected. There is a group of 150 people at that very forum today talking about how best to continue the monitoring and evaluation that can inform us on those specific species and many more.

That is an ongoing program that the ACT government has. It is a program that, in my view, having come from a number of jurisdictions, sets a very good benchmark for how threatened species and, if you like, communities are managed.

We had the representative from the Australian government's threatened species unit talking last night and he was highly complimentary of the threatened species and monitoring programs that we in the ACT have and highlighted that we should be sharing that across the country with other jurisdictions.

**MS LE COUTEUR:** You took that on notice. Can you make sure that includes specifically information about Molonglo because that was the—

**Mr Walker:** Molonglo, yes.

**MS LE COUTEUR:** I am interested in throughout the ACT but what I was specifically asking about was Molonglo. Again, keeping on Molonglo and Gungahlin and the offset areas for Molonglo and Gungahlin, I understand the Kama nature reserve is meant to be an offset for Molonglo but I understand that developing that is significantly behind schedule.

I also understand the Molonglo River reserve management plan which, of course, includes Kama, is not yet finalised but it was meant to be finalised in 2014. Can you comment on that, particularly as the commissioner said there is a risk of the reserve not achieving its goal, which is the enhancement of the ecological condition for the box gum woodland, as we all know. Can we have an assurance that work on the offsets and that prioritising the box gum woodland are being prioritised so that the offset actually does the job it was expected and intended to do?

**Mr Gentleman:** Yes. I understand. Can I say that the Molonglo River reserve program has gone out for public consultation, of course. They are due back and it is due to be finalised around September, I think, this year. But it is important that we get the community's views on this too, not just do it within the directorate but go out to the community to get their opinions at the same time and talk to experts in that process too. Do you have an update on the offsets?

**Mr Walker:** Not specifically at this point. I would be keen to take that one on notice as well.

**Dr Brady:** I would just add that the Kama reserve has been, I think as you mentioned, identified in the reserve management plan and an area, roughly, has been identified. The finer grain boundary of that will come in later this year as that piece of work progresses to actually identify the clear boundary. I think one of your concerns is that

we are waiting until that is defined to do anything about the—

**MS LE COUTEUR:** Nothing seems to be happening. When we identified Kama many years ago and the status—

**Dr Brady:** I think, as part of the work for the reserve management plan, the draft that has been out recently, that area of the Kama area that we know is valuable and needs management has been shown and will be clearly defined soon.

**Mr Gentleman:** And of course we need to ensure that we have the right buffer in place for Kama. The original work on the buffer zone for Kama was to the south, towards the river. But more recently people have said that they would like to see a buffer on both the eastern and western sides of Kama as well. We are looking at what significant trees or possible opportunities we have there to provide that buffer.

**Mr Walker:** And it is certainly fair to say that work is continuing in terms of looking at those buffer areas and, I guess, building on the experiences that we have had in other areas like Forde and other locations where the buffers are being designed to achieve really good environmental outcomes and ensure that the reserves are protected from, obviously as the name suggests, incursions coming from outside. But as the experience would, I guess, highlight in places like Forde, those opportunities really demonstrate how we can connect community better in the environment space and get the community valuing the particular reserves as well.

**THE CHAIR:** We will suspend and resume with the Commissioner for Sustainability and the Environment.

**Hearing suspended from 3.32 to 3.44 pm.**

Appearances:

Office of the Commissioner for Sustainability and the Environment  
Auty, Professor Kate, Commissioner for Sustainability and the Environment  
Dickson, Ms Kirilly, Senior Manager, Investigations

**THE ACTING CHAIR** (Ms Le Couteur): We will restart this hearing. I point out the pink privilege statement. Can you confirm for the record that you have all seen it? Commissioner Auty, do you want to make an opening statement?

**Prof Auty**: I am happy to do that. My team has had a look at the privilege statement and is aware of the obligations. I would like to start by acknowledging the Ngunnawal people. I was given to understand that an opening speech needed to be a shorter speech than last time, so I will endeavour to do that because I know we want to get to questions.

A couple of things have eventuated since the last time we were here. I now have on my staff a new state of the environment senior manager. I am very pleased with that appointment. The appointment is of a person who has extensive experience in state of the environment reporting, and in fact is a UC graduate with a first class honours degree, and an ecologist. We are pleased that Sean Grimes has joined the team.

In relation to the state of the environment report, we are at this stage going through what I would describe as an indicator examination. We will be working off the indicators that we have used in the past, but we are also looking at ways in which we might refresh them if that is necessary. We will be taking those indicators to people out in the community and, more broadly, in the academic institutions, to see what might come out of that conversation.

We have also had a bit of a discussion in the office about what the state of the environment report might look like. We all struggle to try to make these web-based documents. We are working on that and thinking about the ways in which the report will be useful for the public.

I have thought about the structure of the report. In the past we have usually started with air and water and then gone on to land and biodiversity. We will be starting this state of the environment report with heritage. We are going to do that because it is a way of introducing Indigenous ecological indicators at the very early stages of the report, and then building on that to discuss heritage in the broader Canberra context.

The reports that have come out of my office in the past 12 months include the implementation status report. Kirilly Dickson, who is here at the table, had the major carriage of that. The lower Cotter catchment restoration management plan report is ongoing and will be delivered on time in December. Two other reports have been done by the office; they are the Gungahlin strategic assessment audit and the Molonglo strategic assessment audit. I am pleased to have Serena Farrelly sitting with me today; she is the officer on my staff who has had the carriage of those, with consultants.

In relation to any of the contracts that were let in respect of those works, they are on the contract register. If there are any questions about that, we would be happy to answer them, probably through a question on notice or by referring you to the register.

Today we have with us Melissa Tetley, who will answer any questions about what might be the economic management of the office. Can I say this about the audits that have been completed? In relation to the Gungahlin strategic assessment, the assessment itself was endorsed on 20 June 2013. Out of the work that we have done, we have found that in respect of commitments, there were 14 compliant, five compliant with an observation, 13 noncompliant, five not applicable, and two undetermined.

Eight recommendations have been made in respect to the Gungahlin strategic assessment audit, four key risks have been telegraphed, and five corrective action requests have been made, and responses have been received. In relation to those recommendations, they will be the subject of ongoing commentary in the annual report, as we have done in the past. And with respect to the five corrective action requests, as they are part of the recommendations, we have already sent off the correspondence that is necessary to activate that response to those for the purposes of the annual report.

In relation to the Molonglo Valley strategic assessment audit, you will be familiar with that. There are 12 recommendations, six broad systemic risks, and four corrective action requests. The corrective action requests are also documented or detailed in the recommendations.

We have another piece of work which we have been asked to undertake by the minister, the review of the plastic bag ban. It has not concluded. We have done a number of submissions this year, and they are on the website. We also have dealt with a number of complaints coming into the office.

I am happy to stop now and take questions.

**MS LEE:** I want to go to waste management. In the state of the environment report for 2015, at page 468, it says:

The resource recovery rate has stabilised at around 70–75% since 2005–06. This is short of the target ... of more than 80% by 2015.

You have a target of 90 per cent for 2025. Can you give us a brief update on the current recovery rates: how we are tracking and whether you think that we are going to meet that 90 per cent by 2025 target?

**Prof Auty:** That is a complex question. I will take that as a question on notice, because we will respond to you in that manner.

**MS LEE:** While we are on the 2015 state of the environment report, the government recently released a waste feasibility study and has made a number of recommendations for policy discussion and development. I note that the responsibility has gone to Minister Fitzharris in the transport and city services portfolio area. Where

do you fit in with that, commissioner? Do you still have an interest in waste management or has it now moved portfolio areas, if you like?

**Prof Auty:** It has moved portfolio. We will still be reporting on waste in the state of the environment report forthcoming in 2019; there is no question about that. In relation to waste management, we did raise the review of the waste management program with the Auditor-General and I have just received correspondence that indicates that that is going to be the subject of examination. We have not left that in abeyance, notwithstanding that the 2015 report is now being effectively overtaken by the work we are doing for 2019. Minister Fitzharris is not my minister; Minister Rattenbury is. Obviously, the state of the environment report has always addressed those questions of waste, and I would anticipate—I would expect; I commit to—having a chapter that deals with that.

**MS LEE:** You may remember that last year I asked about the plastic bag ban. You mentioned in your opening statement that you are undertaking a review of that. Can you briefly give the committee an update on where that is up to and whether you have started to see some changes in behaviour on the reduction of plastic waste?

**Prof Auty:** Ms Dickson has the carriage of that report. It will be with the minister in early August; the report is well and truly tracking. We have undertaken a lot of work in relation to that. I would anticipate that there will be a tabling of that report in late August.

**Ms Dickson:** Late August. Tabling in late August.

**Prof Auty:** We set ourselves a stretch goal to make sure that we did it as of 30 June. We have taken some time to have an extension to that, but it will be there in late August. That is the extension of time.

**MS LEE:** Thank you. Going to the bottle container deposit scheme, what will the impact of that rollout have on recycling and consumer behaviour, with your expertise?

**Prof Auty:** In my opinion, from my expertise, that is also a matter that we will take on board for the purposes of further examination in respect of the state of the environment report.

**MS LEE:** The 2019 annual report?

**Prof Auty:** The container deposit legislation has always been the subject of some fairly polarised views, I think it would be fair to say. It is interesting that the ACT has embarked on that and it is interesting to see that that is also a function of what is happening at the New South Wales border. We will be watching that with interest and reporting on it in the state of the environment report.

**MS LEE:** One of the other recommendations that was contained in that was that the government explore, or at least come up with a firm view on, in a policy sense, the concept of waste to energy. Do you have any views on waste to energy as a concept?

**Prof Auty:** I do not as a concept, and I would not want to give a formulated view

right now. I note that the Senate report that came out in the last week has made observations in relation to waste to energy. The Senate environment and communications report has concluded that it would not be a way to progress the discussion about what to do with our waste. That recommendation, I think, was as recent as two days ago.

**MS LEE:** That was the Senate one?

**Prof Auty:** Yes. We can provide you with the link to that if it would be of assistance for you.

**MS LEE:** That would be fantastic. Thank you.

**Prof Auty:** We will do that.

**MS LEE:** You may remember the proposal for the plant in Fyshwick. We understand that now the waste management part is gone, but there is still the proposal for the materials recovery facility. Have you had any comments about that? Do you have a view about that? Have you submitted to the EIS? What engagement have you had with that proposal?

**Prof Auty:** We have not submitted to the EIS. There was originally some correspondence to the office. I have not received a formal complaint or a formal request to take action in relation to it.

**MS LEE:** Do you have a view on it yourself, from what you know?

**Professor Auty:** I would not want to express a view before we put out the state of the environment report, but the whole question will be the subject of commentary in the state of the environment report.

**MS LEE:** The plant proposal?

**Prof Auty:** The whole question of waste to energy, the whole question of waste and recycling.

**MS ORR:** I have a question about the value of trees. We had a discussion in a previous estimates hearing and a range of views was put forward, ranging from their not having any value to having a lot of value. What is your view, Professor Auty?

**Prof Auty:** Thanks for that question. We do have that question ongoing. There have been discussions with the ANU scholars who have been involved in environmental economic accounting. We took the proactive step of introducing some of the EPSDD staff to the ANU scholars. I understand that that work has not progressed as quickly as we would have liked it to. The EPSDD will be able to tell you something further about that in the next session.

**MS ORR:** Do you have any views, without putting an accounting value on it, on what some of the value of the trees is?

**Prof Auty:** It is very clear that many cities around the world and cities in Australia have put value on trees. They have put value on them for amenity and for what they provide by way of responses to the urban heat island effect. I am aware that in the city of Melbourne they have certainly put value on trees.

It will be an interesting exercise to see what the environmental economic accounts deliver by way of the value of a street tree as distinct from the value of a tree in a forest or the value of a tree in a grassy woodlands, for instance. But the work is capable of being done. I understand there have been some approaches made to give effect to that.

**THE CHAIR:** With the Ginninderry development, have you made any comment or otherwise been involved in the planning and establishment of that release?

**Prof Auty:** No. I have had a tour of the Ginninderry development provided to me by David Maxwell and his staff at an early stage when I arrived here. We received a complaint about the little eagle. That complaint went off to the administrative tribunal and it was settled at the administrative tribunal, as I understand it, on a confidential basis. The little eagle complaint that did come to my office is now closed.

**THE CHAIR:** Do you have any concerns about the development, from the environmental standpoint?

**Prof Auty:** That is also a complex question. I suppose the answer to that is that there are both pluses and minuses. Certainly, the public have had something to say about what they think the issues are with respect to the little eagle. There is also the question of what it will mean to be having that particular development go gas free. There are issues about whether that is an appropriate way to progress. Certainly, there are differing views about that. In relation to those sorts of developments, they will also be the subject of commentary in the 2019 state of the environment report, where a more formulated view will be put.

**THE CHAIR:** Why did that development not require an EIS?

**Prof Auty:** You will have to put that question to the director. I do not have the answer to that question.

**THE CHAIR:** Do you have any involvement in the environmental impact statement process?

**Prof Auty:** No, we do not.

**MS LEE:** You do not have a view on that?

**Prof Auty:** A view as to whether we ought to have an involvement in the environmental impact statement process?

**MS LEE:** Or whether Ginninderry should have been subject to an EIS?

**Prof Auty:** I am not in a position to express a view on that, Ms Lee.

**MS CHEYNE:** Commissioner, something I have been personally advocating for for a while and was very pleased to see in the budget was the Belconnen bikeway. I noticed, when I was reviewing some of the comments on the consultation for the bikeway, that you had put in—

**Prof Auty:** I have.

**MS CHEYNE:** at least one comment, and perhaps more; there are many there, so it is a bit hard to sift through. What encouraged you to put in comments and is it a normal part of your role to participate in government consultations in that way?

**Prof Auty:** It is not a normal part to participate but we may well have made a submission in a more formal manner. I ride my bike from Cook to CIT Bruce campus where we have the office, and I use that bike path. I thought that, as a member of the public, it was appropriate for me to say that there are a number of street crossings where I see students on their way to and from school, or people crossing, and there may well be an opportunity to make that bikeway from Cook to Bruce a much more robust bikeway for some people who use it. I ride my bike, which is an electric bike. When you stop at the streets, it is clear that there are probably some ways in which we can make cycle travel on that bikeway more convivial.

**MS CHEYNE:** Is there a reason why you submitted that as the commissioner rather than as Kate Auty?

**Prof Auty:** I could have done either. I submitted it as the commissioner because otherwise I would have made a submission that might have been a hard-copy submission and put it in in that manner. I also thought it was appropriate to disclose who I was because, of course, if I were to put it in as Kate Auty, people might say, “Why didn’t you say you were the commissioner?”

**MS LE COUTEUR:** As well as doing your wonderful reports, the other thing that you and your office do is Living Sustainably ACT. You have a page on Facebook which I “liked” a long time ago, and I have been looking at it in preparation for this. What do you find are the most effective things you can do in terms of encouraging the ACT to live more sustainably in terms of that part of your role?

**Prof Auty:** Engaging the public through social media. We do not have a communications team in my office, so everybody in the office is now rostered on on a particular day to post, as is my EA. It is fascinating to see what we get responses to. We get responses to furry creatures; we get responses to interesting marine species or river species; we get responses to those sorts of biodiversity questions. We also get responses to issues such as living more sustainably by reducing, re-using and recycling. It is a little hard for us to tell what gets the best posts. I am somewhat disappointed sometimes that mine do not.

The reality is that the team is working on this, and it is ad hoc. I would have to say that we do not have a strategic approach to it, save that we think there are stories that need to be conveyed. I have been pleased to see that our social media is tracking at something over 1,000 on the Facebook page and 1,500 on Twitter, and I think that is

useful. We talk about the reports we are doing. For instance, the grassy woodlands forum last night is now on both the Facebook and the Twitter page. It gives us an opportunity to say that these are the sorts of things that are engaging the community, scholars, NGOs and volunteers. It is important to reflect that and celebrate their achievements.

**MS LE COUTEUR:** One of the things that you have commented on in this vein is challenging the big-house syndrome, which I must admit I was very much in agreement with. Did you put a submission in to the housing choices program along these lines?

**Prof Auty:** We did. In relation to that, I do not have it in front of me. We certainly put a submission in. At the time that that was put in, it was compiled by a graduate who had come to us from EPSDD. So she compiled that submission in consultation with Catherine Townsend, the ACT Architect. We ran that submission past Catherine Townsend once it was concluded and filed it in circumstances where we acknowledged her contribution.

The tiny houses issue was something that another member of my team, Edwina Robinson, was very proactive about. She has moved on to be the executive officer of SEE-Change. I know that she is very actively pursuing that. We probably have not continued to be as active as Edwina was.

**MS LE COUTEUR:** Fair enough; that would be hard. You have no real way that you can measure the impact of your outreach community engagement activities?

**Prof Auty:** No, we have not. It is very clear, though, that we get people come in to the office from a vast range of organisations. They bring things to us; for instance, yesterday we were talking to somebody about a competition for school students in relation to threatened species. Last week I was in a discussion with somebody who wanted to talk to me about renters and energy efficiency. That same week I gave the opening address at the Water Association forum. I understand it was the first time that a woman has done that in the ACT. My team have been at the grassy woodlands forum this morning, and I was there last night, running the conversation with the panel.

Our remit is very wide. There is no question about that. The team is small but targeted, and they work very hard to try to communicate the messages that we know are core business as well as this broader range. We have, of course, continued to take complaints from the public. We have recently taken a complaint in relation to overgrazing in respect of the eastern grey kangaroo at Mount Majura. It has not been formally tendered as a complaint, but it was an observation and some issues arose for members over there. We have very recently concluded another complaint about the eastern grey kangaroo cull. As you know, it is a wide remit, and it is difficult to tell how successful or otherwise we will or will not be.

**MS LEE:** In terms of the remit of your office, can you tell us when the last commissioner-initiated investigation was?

**Prof Auty:** Kirilly Dickson will respond to that.

**Ms Dickson:** To our knowledge, there has never been an isolated minister-initiated direction. Generally, an issue has emerged, and that has been discussed with the relevant minister at that time and formalised into a minister-directed investigation.

**MS LEE:** One of the accountability measures contained in the budget is about the commissioner-initiated investigation with a target response of 100 per cent—it says it has met 100 per cent. I do not mean to be disrespectful but it does not seem to be a very meaningful measure of anything.

**Ms Dickson:** We did have conversations with the Auditor-General when they did a whole-of-government review of some of these KPIs last year, and raised—

**MS LEE:** I did not quite get what that was talking about. I was of the understanding that that was not the case.

**Ms Dickson:** We did raise some of our concerns about the measurability, and the appropriateness of some of these measures. However, they have not changed since then. With the approach of discussing it with the minister and formalising it, at least we are confident that we are all understanding what we are doing and why we are doing it, so that we can proceed with some sense of certainty that that is the right next step to do.

**MS LEE:** In terms of your relationship with the directorate, do you get regular advice or regular input from the minister or the directorate in terms of the work and the direction of your work?

**Prof Auty:** The answer to that is no, but we have been briefing the minister as reports have been done. As you would expect, we would be doing that as a matter of course. We have a relationship with the EPSDD that is ongoing. For instance, with the recently appointed Conservator of Flora and Fauna, I have made sure that I have worked out ways in which I can introduce him to some of the environmental accounting specialists that we have been involved with. So it is a conversation rather than a direction role, it is ongoing and it is robust.

**MS LEE:** When you are providing the regular briefings to the directorate and the minister, and there is feedback that says, “Okay, have you thought about this direction or that direction?” do you agree to that and do it that way?

**Prof Auty:** No, we do not take directions in that manner.

**THE CHAIR:** Thank you very much, commissioner, for coming in and appearing before estimates.

**Prof Auty:** Thank you for that. We started this question-and-answer session with me suggesting we would take one matter as a question on notice. We will take that back to the office and respond in the five days.

**THE CHAIR:** With day one being tomorrow.

Appearances:

Rattenbury, Mr Shane, Minister for Climate Change and Sustainability, Minister for Justice, Consumer Affairs and Road Safety, Minister for Corrections and Minister for Mental Health

Environment, Planning and Sustainable Development Directorate

Rutledge, Mr Geoffrey, Deputy Director-General, Sustainability and the Built Environment

Harding, Mr Daniel, Acting Director, Energy Markets and Renewables

Malouf, Ms Ros, Senior Manager, Sustainability Programs

Mozqueira, Mr Antonio, Manager, Climate Change Policy

**THE CHAIR:** We are up to the final session for today's hearings, and we welcome Minister Rattenbury. We are now looking at output class 3, climate change and sustainability, as well as energy policy and energy efficiency programs and government sustainability.

**MS LEE:** My first question is about impact and pricing. What impact does the ACT government's renewable energy policy have on local power prices?

**Mr Rattenbury:** We can provide you the specific figures on notice. What I can tell you is that the ICRC made a determination 10 days or so ago now, which you will have seen. In that it identified a 14.29 per cent price increase for electricity for the regulated electricity tariff for this year. A portion of that was attributable to green power costs—in their determination, you can see, they provided the detail—and that was largely this year driven by federal schemes. There has been an enormous uptake across Australia of rooftop solar, and the number of renewable energy certificates generated from that has been the primary driver of renewable energy costs for this year's price determination.

In the ACT's schemes the original estimate for our large-scale renewable reverse auctions was around \$5.50 a week. With the returns that we have been getting in the energy price market that estimate has now come down to under \$5 and we anticipate the maximum impact will be in the order of \$4.90-ish a week.

**MS LEE:** Can you expand on the \$4.90 per week? When you say per week, is it per—

**Mr Rattenbury:** That is for an average household which consumes—

**MS LEE:** So per household?

**Mr Rattenbury:** Yes, a cost of just under \$250 a year for a household that consumes an average amount of power, and that is a figure of around 7,000 kilowatt hours a year.

**MS LEE:** Does this figure account for costs passed on to consumers and businesses?

**Mr Rattenbury:** Not that estimate, no. That is the direct household cost.

**MS LEE:** Not businesses?

**Mr Rattenbury:** Businesses pay that as well. If your question is if businesses then pass that cost through in their product prices, no that has not been modelled.

**MS LEE:** A response to a question on notice I think asked recently by Mr Coe stated that the total cost of the large-scale feed-in tariff scheme would reach about \$82 million by 2021.

**Mr Rattenbury:** Yes, that is the maximum.

**MS LEE:** Will this cost be recovered from consumers in full by ActewAGL?

**Mr Rattenbury:** Yes. The way the scheme is designed is that ActewAGL passes that through back into household energy bills. That is where the \$4.90 a week figure comes from.

**MS LEE:** If the total cost—as you said, it does not come from businesses, it is just from households—is recovered and taking into account—

**Mr Rattenbury:** I think I should backtrack. There has been a misunderstanding there. Every electricity consumer pays a portion on their energy price. Every unit of energy that is consumed in the ACT has a little premium tacked onto it to pay for the cost of that scheme: business, household, everybody.

**MS LEE:** The \$4.90, you said per household, or are you talking per each member of each household?

**Mr Rattenbury:** No, per household.

**MS LE COUTEUR:** Per average house?

**Mr Rattenbury:** For an average household. Obviously some people pay a bit less, some will pay more.

**THE CHAIR:** Your average, middle-of-the-road household is estimated at \$4.90 per week?

**Mr Rattenbury:** Correct. Sorry if there was any confusion there but that is—

**MS LEE:** That was why I was talking about business. That is average household?

**Mr Rattenbury:** Yes.

**MS LEE:** Does ACT government policy have an impact on the price of supply chain costs that are paid by the consumers?

**Mr Rattenbury:** What do you mean by “supply chain costs”?

**MS LEE:** If you can actually go down and tell us how that \$4.90, as you have calculated per household, I suppose, is broken up?

**Mr Harding:** The \$4.90 cost that the minister quoted is essentially the representative household, a four-person household, in Canberra consuming around 8,000 kilowatt hours per annum.

**MS LEE:** Four-person household?

**Mr Harding:** Yes. That is a representative household that the ICRC uses. There are, obviously, different ways you can cut that figure. If you are a small, two-person household and you consume less, or perhaps you have a gas connection and so you will use some of your energy in gas rather than electricity, then you will pay less. If you are perhaps a small to medium-size business and consuming more electricity, then you are paying more.

That \$4.90 figure that the minister said to you is the cost of the large-scale feed-in tariff scheme. The way that the large-scale feed-in tariff scheme is designed is that that cost is recouped via network charges. All our feed-in tariff-supported generators are obviously located around the country in different locations where the renewable resources are very good, for example wind farms in South Australia, in northern New South Wales and in Victoria.

The way those costs get calculated—if you are familiar with the contract for difference model—is that we have agreed on a certain price with a generator. They will use then the wholesale market price at the prevailing time as a reference. For example if we have agreed on a price of \$80 with one of our wind farms, and the price in the market at the time is \$50, then what the territory has agreed to do is top that wind farm up. They will get \$50 paid out of the market and the consumers in the territory would pay the extra \$30 to make them hold to their \$80.

The opposite to that effect is: let us say the market price was \$100 at the time, then \$20 is returned back to consumers. An aggregate process is completed by Evoenergy as the network operator. They aggregate across all the wind and solar farms, do all the calculations and have the net effect, and the pass through cost is passed through network charges to consumers.

The estimate that the minister said, \$4.90 per household per week, peaking in 2020, is the sum total of that total cost for the large-scale feed-in tariff scheme.

**MS LEE:** Thank you. Minister, earlier you said that in terms of the ICRC's figures for electricity going up by 14.29 per cent, the majority of that was attributable to federal policy.

**Mr Rattenbury:** Yes.

**MS LEE:** When you said that, what proportion were you talking about? What proportion is attributable to federal and what proportion is attributable to ACT policy?

**Mr Rattenbury:** Just to be clear, I was saying in the green scheme costs. In the actual

overall price increase, the majority of that is wholesale electricity costs; I was talking about within the green costs that are separately identified by the ICRC in their price determination. In their commentary they state that that is largely, this year, attributable to federal renewable energy credits. I would have to take that on notice. We will have a look at the ICRC determination; I do not think they actually provide a proportion.

**Mr Rutledge:** In the ICRC commentary, they suggested that the Australian government's green scheme, which is largely the renewable energy target, accounts for 10 per cent of the total cost base. That was four per cent of the 14.29, so it is 4.12 percentage points of the total change of 14.29.

**MS LEE:** Okay.

**Mr Rattenbury:** That is in their publicly available determination, and they go into quite a bit of detail about their methodology.

**MS LEE:** What aspects of the energy efficiency improvements scheme have an impact on electricity prices?

**Mr Harding:** Out of the total bill stack that the ICRC final decision put forward, the cost of the ACT's energy efficiency improvement scheme was 1.6 per cent of the total bill stack costs.

**Mr Rutledge:** That is \$31 to the average household; \$31 a year is the energy efficiency improvement scheme.

**MS LE COUTEUR:** I understand there was a big increase in that this year to go into public housing?

**Mr Rattenbury:** Yes.

**MS LE COUTEUR:** That was budget funded. First, can you tell me more about it; and second, being budget funded, will that have an impact on our electricity costs?

**Mr Rutledge:** No, it will not have any effect on electricity costs. Tenants in public housing houses often find it difficult to make some of the upgrades because of the price point difference between the upgrades of appliances or improvements, so many of them found themselves unable to access the EEIS beyond some of the smaller elements of that. What the government has done in this program, and we are extremely excited about it, is team up with Housing ACT and ActewAGL. In effect, government has funded the co-contribution that would otherwise be expected by the tenant, because there is a recognition that the public housing tenant would not be able to make up that shortfall.

**MS LE COUTEUR:** These people are obviously tenants, not landlords, but aren't you largely doing things which landlords normally are responsible for?

**Mr Rutledge:** Some landlords would do it. Are they responsible for it? Probably the answer would not be 100 per cent yes or no. What we would see is improvement to

appliances. Some landlords might wait until an appliance fails and then may not choose a high quality appliance or may not choose to go through the EEIS scheme to get the energy efficient appliance. What we are doing in this scheme, through Housing ACT, is targeting some households who have high bills and appliances that are old. Housing ACT, or the government, is making that co-contribution. So they get a higher quality product and a more energy efficient product.

**MS LE COUTEUR:** My understanding is that you are putting in some reverse-cycle air-conditioners, for instance.

**Mr Rutledge:** Correct.

**MS LE COUTEUR:** A non-public housing tenant cannot decide to put in a permanent-fix reverse-cycle air-conditioner. That is what I am trying to get at. It is the difference between a private landlord versus the ACT government as a landlord.

**Mr Rutledge:** A simple way of saying it would be that in this case the landlord is going above and beyond what a normal landlord would do in that they are offering a high quality product and making those changes to meet the tenant need. Not every tenant would have that tenant-landlord relationship.

**MS LE COUTEUR:** I guess the other question is: why is it climate change rather than public housing?

**Mr Rattenbury:** It was a joint bid between ourselves, as people with some expertise on these devices, and Housing ACT. It was a joint budget bid.

**Mr Rutledge:** And ActewAGL is the third partner in that.

**Mr Rattenbury:** Yes.

**Mr Rutledge:** They administer the scheme.

**Mr Rattenbury:** As the climate minister, I put the view that we should be doing this. Ms Berry, as the housing minister, agreed. We went forward together.

**THE CHAIR:** Just to go back to the substantive question around the cost of the feed-in tariff scheme, you agreed that the overall cost was about \$82 million at peak at the 2021 year mark.

**Mr Rattenbury:** Yes; that was the information provided in the question on notice.

**THE CHAIR:** ABS figures have somewhere in the vicinity of 160,000 or 170,000 households in the ACT. Simple arithmetics on that say that the cost is closer to \$9 per household per week than \$4. What portion of energy use in the ACT is business, and what portion of the cost of the feed-in tariff scheme is business going to be carrying?

**Mr Rutledge:** We will take that on notice and put together a briefing on that to provide to the committee. I do not have that information to hand.

**THE CHAIR:** Okay.

**MR COE:** Is that \$82 million an annual cost in that year or is it the accumulative cost?

**Mr Harding:** That would just be the annualised cost, the annual cost in that year.

**THE CHAIR:** In relation to the \$82 million cost figure, what is the wholesale energy price average that is the basis for that figure? If the wholesale market is higher, that cost is lower; if it is lower, that cost is higher. Can you also provide the figure that was used to determine that \$82 million figure?

**Mr Harding:** Yes.

**MS ORR:** There has been a lot of focus on this question about what the sustainability components put towards electricity prices but just for context can you give us a broader overview of electricity price increases and where the costs are coming from at the moment?

**Mr Harding:** Thanks for the question. This year in the ICRC's price determination—the ICRC uses, essentially, a building block model and they build up and estimate the costs for an efficient retailer to offer electricity to retail customers in the territory—the commission determined a 14.29 per cent increase to the regulated standing offer tariff. The main driver for that increase this year was primarily the wholesale energy purchase cost. What we have observed over recent years is, in the national electricity market, a trend of rising wholesale electricity prices. That is just the raw commodity cost to generate electricity. That is 7.8 per cent of the 14.29 percentage points.

The main driver, and the reason for that increasing trend, has been: as large generating units have actually reached the end of their operating life they are now starting to be retired. But given some element of uncertainty in national energy and climate policy, investors, in what are very long-lived assets in energy infrastructure, have paused and essentially have delayed making very large investments given the potential uncertainty about how the rules of the game may change in the future.

Since 2010 the Australian Energy Regulator has reported that in the order of 5,500 megawatts of thermal generating capacity has actually been retired across the national electricity market. What that has done has narrowed the supply-demand balance in the market. You reduce the element of competition between generators who are bidding to have their electricity dispatched but also you see some element of market concentration.

What has been interesting, and partly the driver for wholesale cost increases, has been an increasing prevalence for natural gas to be, what we call, setting the price. The Australian Energy Market Operator operates an auction every five minutes for electricity in the wholesale market. It is one of the most volatile commodity markets in the world. Prices can range every five minutes anywhere from minus \$1,000 a megawatt hour up to \$14,200 a megawatt hour. Prices can fluctuate very quickly. Given that element of volatility, there is obviously a very high upside risk for price to

spike quite quickly. Prices are set on a marginal cost basis.

The market operator, in running that auction every five minutes, goes through and looks at all the bids, the volume of electricity and the cost at which they are offered. AEMO, the market operator, measures the amount of demand they expect in that interval and works up the bid stack until they get enough electricity to meet demand. They draw a line that becomes that supply curve. Whatever the bid offer for that marginal cost, that last generator, that sets the price across the market. Every generator who is dispatched is paid at that price.

What we have seen is natural gas generators increasingly being that marginal cost generator. As you remove and as other generation retires, natural gas is setting the price more often. Natural gas generators are higher cost, because their fuel cost is higher but also they tend to operate on an as-needed basis. They turn on very quickly, they ramp up and ramp down. They tend to be much higher priced and we have seen, as a result of those couple of trends, wholesaler electricity prices trend up.

There has been an element of moderation, particularly in the New South Wales market, in the past couple of months, and we would be hopeful of seeing that trend continue on a downward fall. Largely that is the rationale for why that wholesale energy purchase cost is such a main driver. That was the same case with the ICRC's decision last year, that wholesale prices were about two-thirds of the driver.

I think one of the other main drivers of electricity cost increases this year, as the minister referenced, was what the ICRC calls green scheme costs. Largely that is framed as the cost of the commonwealth government's large-scale renewable energy target. The commonwealth's policy is for 20 per cent of electricity supply in 2020 to come from renewable sources. The way that they enforce that is that the Clean Energy Regulator, a commonwealth body, sets a renewable power percentage each year, and it obliges electricity retailers and sellers of energy to go out and purchase a certain proportion of their sales from renewable sources. That percentage increases each year to 2020, such that 20 per cent of the total volume of electricity forecast to be sold in 2020 will be from renewable sources. The way that retailers account for those sales is through certificates, large scale and small scale.

What we have seen, and the reason why the cost under that renewable energy target scheme at the commonwealth level remains high, is, again, that policy uncertainty which means investors in wind and solar farms, for example, have been equally cautious about investing millions and millions of dollars in large capital assets like that without that kind of certainty about what the future policy environment will look like. There was a delay in the build of new wind and solar generators and therefore a reduction in supply of those certificates, meaning there was a scarcity. Obviously when there is scarcity, retailers will compete on price to purchase those certificates.

Again we have seen a continuation of that trend this year where certificate prices remain high and we are still, I guess, waiting for the announced generators that are under construction at the moment to come into the market and start offering up additional renewable electricity supply. We are hopeful that as that supply comes online those prices will fall and consumers will see some relief in the compliance cost for that scheme.

They are probably the two main drivers. I think between the two of them they add up to 11.92 per cent of the 14.29 percentage points in the ICRC's regulated decision this year.

**MS ORR:** Because a lot of that is tied to the national energy market, can you give me an idea of where ACT electricity prices sit in relation to other states and territories?

**Mr Rattenbury:** We have the second-lowest average electricity cost in the nation. Tasmania is the only jurisdiction that has a lower energy bill than we do. All the others are ahead of us.

**MS ORR:** Just for the record, is there any analysis that has gone into why we are sitting lower in that pricing?

**Mr Rutledge:** Largely it is lower network costs. Being a compact jurisdiction, the amount of network cost for us is much lower, on average, yes.

**MS ORR:** Fewer poles and wires?

**Mr Rutledge:** Yes.

**MS ORR:** Let us have a chat about electric vehicle charging stations. There was quite a large announcement in the budget this year for those. Minister, can you give us an idea of some of the detail around that? The announcement was made, and I have certainly had quite a few people come to me asking where they are going to go, who is going to have access to them. Can I get a better idea of what it is that this funding is going to be allocated to and how it fits into I think the bigger picture of the zero emissions?

**Mr Rattenbury:** Yes, certainly. This is driven by the recently announced zero emissions vehicle strategy that the government released in April. As part of that commitment we undertook to do several things. The idea behind that strategy is to be very practically focused. It is an action plan over the next two or three years because we know that the market in this space is changing very rapidly. We have set a relatively short time frame to do some of these things to enable that growth in the market and then we will need to review that in a couple of years.

I think one of our key commitments in there is the ACT government's commitment that, for our standard sedans in our government fleet, we intend to turn those over to electric vehicles over the next couple of years. As part of that, we need to make sure that we have charging points in various government buildings and government car parks to enable us to recharge those vehicles, essentially the government vehicles.

This funding is predominantly targeted towards providing those charging points. However, given the significant community interest—and the whole point of the strategy is to facilitate electric vehicle rollout—we are thinking about how we can make those points potentially available to the public as well. For example, at a certain government building they might be placed on the outside, not the inside, so that potentially they can be used by both. That will obviously boost the number of

charging points across the city.

What it would be fair to say, though, is that, having announced that strategy, it has generated significant interest in the new electric vehicle community in Australia, both the enthusiasts but more importantly the industry. We have had a lot of approaches from both charging point providers and auto makers since announcing that policy. We have got various people who are interested in making private investment in the territory talking about bringing more charging points and the like. The strategy has motivated a whole lot of work in this space.

**MS ORR:** With the potential to make some of those chargers, if not all of them, publicly accessible, how is that scheme going to interact? Has there been any thought put to how it would interact with the ActewAGL chargers that are currently out there? NRMA has also made quite a substantial announcement in recent times. How is it all going to fit together?

**Mr Rutledge:** As the minister said, I think we are being quite overwhelmed by the amount of industry interest that has occurred just since April when these announcements were made. Where I think our initial thinking was how we ensure that the ACT government fleet is well looked after, it has now become how we make the partnership leveraged for maximum benefit. We have had interest from the NRMA, the EV council, ActewAGL and, as the minister said, many vehicle manufacturers.

Just last week we had a visit from the New Zealand ministry that looks after the equivalent of their Comcars and—interestingly, ministers in New Zealand get driven around in BMW 7 series—BMW have brought out an e-vehicle in the 7-series model. BMW installed most of the infrastructure—a large network of infrastructure—to accommodate that government fleet.

We have also had discussions, chiefly with our fleet provider, which is also the commonwealth government fleet provider, and it is fair to say that their mindset on electric vehicles has rapidly turned around in the past few months as well. As I say, we have probably embarked on how we can make the ACT government fleet work and send a signal to the market that we are interested in EVs in our city.

The response has been so strong that we are now looking at really how best we plan the multiple interests. Unfortunately for your constituents, or anyone else, we cannot say, “If you drive a Tesla it will be at Dickson Woolies,” or that sort of thing yet but we are certainly trying to maximise the uptake in this. It has been quite amazing.

**MS LE COUTEUR:** Part of the strategy was also talking about charging points in multi-unit developments. Tell me how that is going.

**Mr Rutledge:** Again it has been one of discussion, both with the property sector and with industry. It is interesting, when you think about it; if you truly believe, as we do, that, with EVs, there will be a tipping point, it is just a matter of when that will be. Will it be in 2025? Will it be in 2030? Will it be in 2035? If you think like that then you should think that, with EV charging points within a multi-unit dwelling, there should not be one or two; by 2035 it should be for everyone. It is about how we move

that transition or at least futureproof that transition.

On a number of developments, it is happening without the need for regulation, because it is either part of their attraction or part of their business model that they are futureproofing for that. The strategy outlines that this will become a regulatory approach, and we are still in the process of discussing it with industry and trying to model that demand. If it occurs anyway then regulation is not required. If we regulate it and we set the regulation at two per 10 car spots it could be obsolete within 10 years. It is a difficult one to measure but we are in those discussions as we speak.

**THE CHAIR:** What if we are backing the wrong technology? Hydrogen is rapidly emerging as a contender for green transport and it is much more easily scalable than electric vehicles.

**Mr Rattenbury:** That is a subjective view. It is not a universally shared view. We are at a point where it is like Beta and VHS. There were those who believed that Beta was such a superior technology, but it did not make it. There is a little bit of that going on in the car space at the moment. Our best policy view is that we are certainly working on the basis of not picking winners, and we are exploring both pathways and keeping our options open.

It is something like the building fit-outs. The rationale behind that—and you will appreciate this, Mr Wall, given your background—is that it is not a whole lot more expensive to put in the infrastructure at the beginning. If you do it when you are building the building, putting in the charging points is hardly any more expensive, particularly compared to retrofitting it later. We are trying to anticipate the future without narrowing the options too much. It is a hard space to—

**THE CHAIR:** The limitation in battery, particularly for somewhere like Australia, is distance and range, whereas I think—

**Mr Rattenbury:** Teslas now have a 600 to 700-kilometre range.

**THE CHAIR:** But how many people can afford a \$150,000 car?

**Mr Rattenbury:** Sure. But the point is that the cheaper cars now already have a 300 to 400-kilometre range, so you can get to Sydney or the coast. In the EV strategy, you will see we have particularly identified getting the charging stations on the key routes out of Canberra, thinking about where our people mostly go to.

I was recently at an event sponsored by the city powers partnership, with towns like Bathurst. We were in Bathurst for the event. They are all thinking about putting the stations in because they want the Sydney dwellers and the city dwellers to come as tourists to their regions. They are putting the points in so that people can go there.

The market is also exploring different options. They are saying some vehicles will have the 600 to 700-kilometre range, but most people drive no more than 35 kilometres a day. They are also talking about making \$18,000 cars that only have maybe a 100-kilometre battery range in them because for most people that is fine. They will bring the price point down for people; so there is a lot of movement in this

space.

**THE CHAIR:** The important question is: were you VHS or Betamax?

**Mr Rattenbury:** We had a Beta in our household.

**THE CHAIR:** Say no more!

**MS LE COUTEUR:** Minister, I have been talking to some EV enthusiasts in Canberra. They have been saying one of the biggest problems is that you cannot buy EVs easily in Canberra. Is this initiative going to change things in Canberra so that people who want to purchase in Canberra, who are not the ACT government and do not quite have that buying power, can?

**Mr Rattenbury:** We certainly think so, Ms Le Couteur, and the reason for that is twofold. One is that, in committing, we will need in the order of 500-plus vehicles over the next three years to fulfil our policy. To give that a context, there are fewer than 300 registered electric vehicles in the ACT at the moment. Already, that expands that market. There are fewer than 5,000 in Australia. So the order we have put in—

**MS LE COUTEUR:** That is 10 per cent.

**Mr Rattenbury:** That is why it has attracted so much interest. The auto makers are saying, “The market is now starting to become viable enough that it’s worth us bringing vehicles into Australia,” which has been one of the barriers.

We have also extended our offer, through our membership of the city powers partnership. We have said to all of the councils in our region, “If you would like to join us, we are now getting sgfleet as our fleet provider to source these vehicles, so now you will be able to source them through sgfleet as well.” We are trying to drive up the size of the order.

One of the factors that will play out then is that, as those vehicles come out of the leasing cycle, they will potentially be available as second-hand vehicles in the market, as government vehicles are now. That will, again, make more vehicles available at a lower price point. I think the sheer fact of bringing more vehicles in will mean we will start to see the prices drop.

**MS LE COUTEUR:** Great.

**Mr Rattenbury:** Certainly, all the auto makers are saying they are bringing vehicles in at a price point. Hyundai’s new vehicle is at \$40-odd thousand. For many people, that is what they would spend on a car, not everybody, I accept that; but there are plenty of people who would spend \$40,000 on a car.

**MR COE:** Going back to renewable energy, and in particular the certificates that come from the production of renewable energy, how does the ACT government, in effect, take ownership of those certificates?

**Mr Rattenbury:** They are issued once a year. I cannot recall the date now.

**Mr Harding:** It is late in the calendar year. Typically, it will occur in October each year. The compliance year for the large-scale renewable energy target is in mid-February, and it is when the compliance year ends. They are large-scale generation certificates that are produced by renewable projects to the end of the financial year. There is an accounting period where everyone trues up how much renewable energy generation they made in that year and how many certificates they had the right to produce; then from 1 October there is a window in which those certificates are transferred to the territory.

The territory, as required, has a registry account with the Clean Energy Regulator. That is on a publicly discoverable database. With the territory's certificates, for which ACT energy consumers have underwritten the investment in those projects, and for which a feed-in tariff support payment has been made with respect to megawatt hour of renewable electricity, one LGC is created, and then transferred by the wind farm or the solar farm to the territory's registry account.

**MR COE:** So they do not go through ActewAGL?

**Mr Harding:** No.

**MR COE:** However, ActewAGL do, in effect, manage some of the payments with the large-scale energy production?

**Mr Harding:** That is correct. They act as an interface between the territory for the electricity production and the wind and solar farms.

**MR COE:** And that just goes into their cost base, which—

**Mr Harding:** Which they then pass through to the consumer.

**MR COE:** Pass through to the ICRC et cetera.

**Mr Harding:** Correct.

**MR COE:** With the certificates that the territory has acquired, the budget in the CMTEDD area states there are 900,000 certificates or thereabouts. How many certificates per year do you expect to be accumulating?

**Mr Rattenbury:** It is actually an increasing number each year.

**MR COE:** Yes, as more come online?

**Mr Rattenbury:** As more come online, so it is an escalating number, yes.

**MR COE:** Do you know how they are recorded on the balance sheet?

**Mr Rattenbury:** Yes. Last year was the first time that they were recorded. I am not a treasury person, so forgive me; the plain English explanation of it is that we reached a point last year where we had so many that it became material, and treasury advised

the cabinet that we needed to start representing them in the budget papers, which is why you saw them appear last year for the first time, and this year that accounting treatment is further represented in the budget.

**MR COE:** However, the plan is to surrender those certificates?

**Mr Rattenbury:** Yes, that is stated government policy.

**MR COE:** Why is that the policy?

**Mr Rattenbury:** Because when this policy was first set, that was seen as the way to create the greenhouse gas reductions. By retiring them, that creates that greenhouse gas reduction.

**MR COE:** I think the plan is to retire them in 2020 or thereabouts. I am pretty sure that is what we heard last week in estimates. Why is it that you hang on to them until then rather than surrender them as you go?

**Mr Rattenbury:** At the moment, there is some uncertainty over commonwealth policy. The commonwealth has to determine how additionality is counted. We have just left them sitting in our registry while some of those commonwealth policy issues are sorted out. It does not quite matter; they are just sitting there while that certainty is created.

**MR COE:** It does matter by way of the books, because you have something that you are calling an asset but your intention is to write it off. I am a bit unclear as to why you regard it as an asset if you accept that they do not have any value because you have no intention of ever selling them.

**Mr Rutledge:** Mr Coe, the question about accounting treatment is best asked of treasury officials. I know you did ask treasury last week.

**MR COE:** Yes.

**Mr Rutledge:** The commitment is to have 100 per cent renewable energy in 2020. Retirement now or in 2020 makes no difference to meeting the policy objective of 100 per cent renewal energy by 2020. Surrendering the certificates is a way of showing that the commitments of the ACT government are above and beyond those of the national government and therefore additional. That is about discussions around additionality, as the minister said. The recognition of that additionality seems to be a live discussion within the national electricity guarantee discussions. Meeting the ACT government objective of 100 per cent renewable energy in 2020 is the goal.

**MR COE:** What makes this particularly interesting is that it came in as revenue, not non-financial assets and the like.

**Mr Rattenbury:** Yes. I do not want to try to avoid the question, but I am not the best person to explain accounting treatment. We have had very careful advice from treasury that this is, under the accounting principles, the best way to treat them. I am afraid I do not feel qualified to explain that in detail. My apologies.

**MR COE:** Did cabinet make the call on how to treat these?

**Mr Rattenbury:** We were advised by treasury that this was, under the accounting standards, the best way to approach it. It was discussed in budget cabinet in that sense.

**MR COE:** Right.

**Mr Rattenbury:** On the advice of treasury.

**MR COE:** When you say “discussed at budget cabinet”, the discussion was about not writing them off as you go?

**Mr Rattenbury:** There was not really a decision to make. Treasury came forward to us and said that this was the basis on which they need to be accounted. We accepted that advice. That is probably the best way to describe it.

**MR COE:** But as a change in advice from last year?

**Mr Rattenbury:** How so?

**MR COE:** Last year there was an expense related to these, and there is no expense related to them this year.

**Mr Rutledge:** The expense is recorded in the outyears, at the surrender point.

**MR COE:** Yes.

**Mr Rutledge:** It still meets—

**MR COE:** There is a partial release in 2020, but last year actually had an expense associated for each of the outyears, not just the very last year.

**Mr Harding:** They would have presumed surrender in each year for those, as the minister said.

**MR COE:** Yes.

**Mr Harding:** Given the uncertainty in national policy, particularly the treatment of additionality under the national energy guarantee, that deferred surrender to 2020 as per the budget papers.

**MR COE:** Was there a change in when you actually surrender them or was the change in how you would account for them? I thought it was always the intention to surrender them in 2020. Is that correct? Or was it going to be a gradual surrender of the certificates or a yearly surrender?

**Mr Rutledge:** The stated goal was to meet the 2020 target of 100 per cent. As the minister said, last year was the first time they were accounted on the books, and they were accounted and expended the following year under consideration. Knowing the

national energy guarantee discussions, additionality and meeting the 2020 targets, the accounting treatment this year is for that expenditure to be recognised when they are surrendered.

**MR COE:** Quite simply, has there been a change in policy as to when they would be surrendered?

**Mr Rutledge:** I think there has been a change in the way they are recorded in the budget paper, because last year was the first time, and this time it was made more explicit.

**MR COE:** The question remains: has it always been the intention to surrender them in 2020 or was there a plan to surrender them year by year?

**Mr Rattenbury:** I will have to take that on notice, Mr Coe. I am just not sure.

**MR COE:** Yes.

**Mr Rattenbury:** The question you are asking is really, I think, one of practicality. “There has been no major shift in policy” is the plain answer to your question. Your question, I think, is more addressed to the practicality of how it was going to be done. I am not even sure that there had been an explicit conversation about how that would be done, but there has certainly been no significant change in policy.

**MR COE:** On page 44, at the second last paragraph—

**Mr Rattenbury:** Of budget paper 3?

**MR COE:** Yes, BP3, the second last paragraph. Probably the third last paragraph has some relevance as well.

**Mr Rutledge:** Mr Coe, I think what is currently explained there is that the assumption was that the decision of the ACT government was to do work that was over and above any national commitment, and the way that could be recognised is through the government policy and then surrendering them and that being counted as additional to national effort.

What we have seen through the recent discussions in the national energy guarantee is the issue of whether or not the work of our community would be considered additional to the national effort or whether the other jurisdictions would in effect free-ride off the ACT government.

With that uncertainty in that national debate about additionality, there seemed to be value in waiting till 2020 to ensure that those discussions at the national level can create some certainty for both the government, and the community that supports it through their electricity bills, and also still continue to meet the 100 per cent renewable energy by 2020, which we are on track to meet.

That uncertainty of the national energy guarantee would not have been in the minds of the treasury officials last year when they were putting it in the budget paper as a

revenue and an expense. I suppose that now, by deferring the surrender, we are making it crystal clear that 100 per cent renewable energy in 2020 is the goal, and that goal will be met.

**MR COE:** The budget paper last year, in a dot point related to expenses, says:

... the value of the Large-scale Generation Certificates expected to be surrendered to the Clean Energy Regulator (\$34.4 million)—further details are provided at the end of this chapter ...

The paragraphs of particular note say:

Once created and recognised, these certificates can be sold and transferred to other individuals and businesses. The price of certificates is determined through the open Large-scale Generation Certificates market, where these can be traded, bought and sold.

Accounting practice is to record the certificates as revenue at market value upon receipt in the financial year in which they are created and recognised. Government policy is to voluntarily surrender these certificates to the Clean Energy Regulator and, in accordance with current accounting practices, an equivalent expense would be recorded.

**Mr Rutledge:** Correct.

**MR COE:** It goes on:

Given recent developments in the national electricity market, the Government has decided that, in future, it will consider the appropriate use of its certificates on an annual basis. While it remains Government policy that the default position will see the certificates voluntarily surrendered, this will occur following Government consideration of the circumstances prevailing at that point in time.

The budget therefore assumes that the expense of surrendering the certificates will occur in the year following their receipt. This treatment, while not providing any net revenue over the life of the Large-scale Generation Certificates program, has the effect of recognising additional net revenue in 2017-18, 2018-19 and 2019-20. From 2020-21, this change involves a net cost to the budget.

**Mr Rutledge:** Yes.

**MR COE:** That seems to be the same policy that we have now, so I am just curious. That was last year's budget.

**Mr Rutledge:** Yes.

**MR COE:** Yet last year's budget included expenses throughout.

**Mr Rattenbury:** Why don't we take this on notice, Mr Coe, and provide you with a detailed answer in partnership with our colleagues from treasury, who can probably explain this for you more satisfactorily.

**MR COE:** Okay. Thanks.

**MR COE:** Minister, going back to the electric vehicle question, where are things at with the government's electric buses?

**Mr Rattenbury:** I do not know that we can answer that. TCCS runs those. As I think you know, they have three vehicles on trial. How that trial is going is a question I have been meaning to ask and have not got around to. It would be best to ask TCCS.

**MR COE:** It does not come under you in a policy sense?

**Mr Rattenbury:** Not explicitly. In the sense that, as the climate change minister, I engage all of my colleagues to talk about what they are doing to tackle emissions, I have shown interest in this and it is reflected in our electric vehicle strategy. But we do not necessarily deliver all the parts of the strategy. We talk to our colleagues about it. Any detailed questions would need to go TCCS.

**MR COE:** In terms of the vehicle component of the emissions target, the recognition of emissions from transportation, what assumptions are there about energy efficiency in public transport?

**Mr Rattenbury:** Do you mean fuel efficiency?

**MR COE:** It is broader than that, but fuel efficiency, I guess. Is it just business as usual or are you assuming that there is going to be an uptake in electric vehicles or other more efficient fuel sources?

**Mr Rattenbury:** As part of the work we have done recently to develop the strategy towards middle of the century zero net emissions and the short-term work plans to go with that, we did release modelling to the community. I will take the question on notice about the assumptions that are built into that. That modelling has been publicly available. Part of the reason for doing that was that we have a lot of people in town who are very enthusiastic about the details and we wanted them to be able to participate in that conversation. I just do not think we have those numbers to hand.

**Mr Rutledge:** No, we would not have those numbers to hand. I will pass over to Antonio in a second, but in the EV action plan, the electric vehicle zero emission vehicle action plan, there are no assumptions. It really is a policy question for the climate change strategy, which will be released towards the end of this calendar year.

The economic modelling that we released as part of that did have business as usual for the government fleet. With the economic modelling, as it approaches both public transport and vehicle transport, there are some assumptions of ongoing efficiencies, but that is for the discussion with the community; there is nothing in the work that we have done that currently is reliant on new technologies, just efficiencies that are available to date. Mr Mozqueira, do you want to add to that?

**Mr Mozqueira:** I can basically reaffirm the previous answer: business as usual in our modelling indicated an ongoing degree of efficiency but I cannot answer what percentage or what proportion of that efficiency would take place. The work is

replacement from emissions from fossil fuels into electric powered vehicles.

**MR COE:** With regard to the draw on the grid for electric vehicles, has that been factored into demand projections for energy?

**Mr Rattenbury:** Yes, it has been. Certainly it is something we are thinking about. In some of the modelling that we are having done, the scenarios include low penetration and high penetration of electric vehicles to try to give us a sense of the potential impact, again going back to that earlier discussion I was having with Mr Wall about some of those uncertainties about how quickly things will come.

**MR COE:** Say that 70 to 80 per cent of the commuter fleet is electric in 2030 or thereabouts. It might be a ballpark sort of guess. Who knows? The potential draw on the grid for that is enormous.

**Mr Rattenbury:** It is interesting. It is a bit of a two-way street. You are right, but similarly there are a lot of people thinking about how electric vehicles are going to play a role in supporting the grid. If you think about the fact that they are all sitting around most of the time, you can use all those battery packs as essentially a virtual power plant. There is a lot of thinking going into how you would do that, so it is not necessarily entirely a one-way draw.

**MR COE:** That is right. I understand that from a distribution point of view, and that might help in terms of minimising the loss in supply and consumption. I have just maxed out my electrical knowledge, unfortunately.

**Mr Rattenbury:** Sorry. There are some people here who can help us with that.

**MR COE:** I realise. Does that actually change the amount of power that is required?

**Mr Rattenbury:** Potentially, yes.

**MR COE:** It might make things a bit more efficient, but surely, in effect, you have more appliances, albeit very big ones. Surely that has to have a huge impact on the wholesale market as well.

**Mr Rutledge:** Mr Coe, I think what we are seeing generally with energy use is that because of energy efficiency, energy use per household is generally going down. We see rooftop solar continuing to increase. We have done a few scenarios of high penetration EVs, low penetration EVs and that.

There are two different questions that I think you are asking there. One is about the amount of load that is required across the whole lot. We have done modelling on that. Separately is how you manage the peaks on the distributed network. We saw a representation recently from Nissan. They are saying that the next-model Leaf will be the first mass-produced two-way battery car. They envisage a future within 12 to 18 months where you drive in with your Nissan Leaf, you plug it into your house, and if peak energy prices occur at that time, you in effect run your house off your car battery through until 6 pm or 7 pm when peak prices come down. Then you recharge overnight when the wind is blowing and energy uses are low.

**MR COE:** That brings prices down, but it is still—

**Mr Rutledge:** But it is drawing on the grid at different times too.

**MR COE:** That is right; I realise that. But the overall electricity use is still the same, isn't it?

**Mr Rattenbury:** Also you are going to a question of capacity. The way the national energy market currently works is that there are times when the market is well below capacity. That goes to that issue of timing.

**MR COE:** Yes, sure.

**Mr Rattenbury:** We have the peaks, and they are the problem points but, overnight, when it is blowing like crazy in South Australia, there is plenty of power. We can put a lot more supply into the market through that spare capacity. But you are right. These are the issues that are vexing the minds of people who are expert in this space. It is a rapidly evolving field of understanding.

**MS LEE:** Going back to the charging stations, do you know what the projected cost will be? The budget says it will be from existing funds. I could not find the cost of it.

**Mr Rattenbury:** The budget initiative is \$450,000.

**MS LEE:** That is for the 50 charging stations?

**Mr Rattenbury:** Yes.

**MS LEE:** Are the charging stations going to be run by the government or a third party?

**Mr Rattenbury:** This goes back to the earlier conversation. We are seeing different models. Some of the auto makers themselves are actually providing the charging points.

**MS LEE:** It has not been determined as yet?

**Mr Rattenbury:** No.

**MS LEE:** I know that this has not been determined either but you mentioned that some of the charging stations might allow public use. How will they be able to pay for the electricity to charge? Are there different models for that as well?

**Mr Rattenbury:** I think the answer is: we do not know the answer to that yet. It is one of those things where the subscription models are evolving quite rapidly. Again it is the market that is really taking shape. So far some of them are free. The Tesla ones—Tesla has rolled out quite a few—only work for Tesla vehicles. That is part of the privilege of having a Tesla. There are different approaches. I expect to see a lot of change in the next couple of years.

**MS CHEYNE:** Minister, you recently announced the straws suck but you don't have to campaign. There are some advertisements there. What inspired the campaign? I note it is an opt-in campaign and I was very pleased at BentSpoke last Friday to see that they had metal straws. I own some metal straws but I have never used them because I always forget. It is good to see establishments having them. If the only thing that we can do is ask people to opt in or ask businesses to opt in, can we actually regulate against the sale of plastic straws?

**Mr Rutledge:** I will kick off and then I will ask Ms Malouf to talk about the logistics of it. I suppose the scourge of single-use plastic in the environment is a large one, and there are many different ways you can tackle the scourge of single-use plastic. We have seen the plastic bag issue where a regulatory approach was taken.

What we saw with this—and this really came from the community themselves—was that single-use plastic straws were very often littered but also they were a symbol for single-use plastic. The discussion came to us through the minister, and we had a chat about it. A regulatory approach we did not think was the best approach, and I do not think we felt it was a good use of government effort to go down that path.

A simple awareness-raising campaign, with a somewhat catchy title in “straws suck”, might get the message across that straws are both unnecessary and a symbol of a broader scourge of single-use plastic. What we have seen in just the short time since the announcement is that a number of retailers have wanted to come on board. Do you want to go through some of the details of that?

**Ms Malouf:** Basically we started the campaign to raise awareness, as Mr Rutledge said. We have had 13 organisations sign up. We are promoting those through our website. There is a map on our website where you can have a look at who signed up. That has been some of the clubs; BentSpoke, as you know, but some of the smaller organisations as well.

We have had a change in the program already. We have written the project plan, and it has already changed. Some members of the public have contacted us and said, “Can we have a bunch of the coasters that promote the program because we would like to encourage our clubs and pubs to be doing that?” Rather than give a bunch of coasters away—I am not sure they are very handbag friendly—we are actually developing a card that people can give out to their cafe or their local shops to remind them to be part of it.

We have also had lots of interest from places that do not actually buy straws but their retailers do. Places like Canberra Outlet Centre have signed up. They do not actually purchase straws but they want their customers, individuals, to make a choice when they come to their shopping centre.

**MS CHEYNE:** Do you have a list of those organisations who have signed up?

**Ms Malouf:** Yes. There are 13 that have signed up at the moment, and they are signing up every day. We are putting them on—

**MS CHEYNE:** I saw Pialligo Estate announced that they had signed themselves up yesterday, I believe.

**Mr Rutledge:** And the hospital cafeterias.

**Ms Malouf:** Yes. There are some pretty diverse sites on our website. All Labor clubs have signed up, as has Goodfood, BentSpoke, Bean “N” Grind Espresso. There is a diverse range of organisations signing up. There has also been some interest from larger office blocks that say, “We would like our cafe to sign up but we want our staff who are in that office block to think about their single-use straw usage.”

**Mr Rattenbury:** This, in part, goes back to your starting question about the voluntary nature of it. We actually have tried to make it a campaign that engages people, rather than just government saying this what you have got to do.

**MS CHEYNE:** Nothing like a bit of peer pressure?

**Mr Rattenbury:** Yes, and provoke some conversations and those sorts of things. That is where we are seeing interesting community feedback, and I am quite pleased about that actually.

**MS CHEYNE:** How are we measuring its success?

**Ms Malouf:** We will measure it by how many people have signed up to the program but we want them to also sign up to the Actsmart program. We want many of those to make a bigger commitment to their sustainability. While some of those organisations are saying straws are step one, step two is: come and we will make sure we get your recycling set up properly for you as well, and maybe join our energy and water program as well.

**MS CHEYNE:** Are some of those organisations who have signed up to this program not already part of the Actsmart program?

**Ms Malouf:** Correct. Some of them are not part of it.

**MS CHEYNE:** It is a kind of a foot in the door for you in terms of opening up the broader conversation about recycling?

**Ms Malouf:** Sure is, and just that raising awareness.

**MS CHEYNE:** I think I have seen in the government response to the annual report recommendations about updating the website on the A to Z of recycling, which is going to go through a bit of a refresh in terms of renaming. I forget the name. I wrote it down because it was catchy but I have lost it. Recyclopaedia, I believe I saw. I was wondering what the time frame is for updating that website, given people’s growing interest in recycling and doing the right thing.

**Ms Malouf:** That is actually a TCCS project. I could not actually answer that, I am sorry.

**THE CHAIR:** What do you mean by your comment, Mr Rutledge, that straws have become a symbol of single-use plastic? Can you expand on that because that is a new one to me?

**Mr Rutledge:** Single-use plastic, excessive packaging—

**THE CHAIR:** I am aware of what single-use plastic is.

**Mr Rutledge:** Yes.

**THE CHAIR:** But who made the straw the symbol?

**Mr Rattenbury:** It is a zeitgeist thing. It has become a thing. We have seen that McDonald's in the UK has actually said they are going to get rid of them. I think people have just decided that straws are one of those things: we have got perfectly good lips to drink with, why do we need the straw? I think it has just captured people's imagination a little. I cannot necessarily explain why it has become like that but it has become a thing. I guess we tapped into that. It seems to resonate with people, for reasons that I have speculated on.

**MS ORR:** On the straw campaign, I take your point that most people do not need a straw, but some people, due to disabilities and whatnot, do. As an alternative to single-use plastic straws, is that covered as part of the program? Is there something you could offer as an alternative?

**Ms Malouf:** It is not a ban on straws. We are very mindful that there are people who have certain disabilities and children who may need a straw sometimes. We are saying, "Can you reduce it or have an alternative?" Some of those alternatives are metal straws like they have at BentSpoke, paper straws or not offering straws every time you serve a drink. It is just that awareness: yes, you can get one if you want one, but if you do not need one, do not take one.

**MS ORR:** I was on the website looking at who has signed up. You can take the pledge online, but do you have something that businesses can put up saying, "We have taken the pledge."

**Ms Malouf:** Yes.

**MS ORR:** Was that in all those lovely materials that were tabled?

**Mr Rutledge:** This is the sticker that sits inside your cafe door or on your window which says, "We took the pledge."

**MS ORR:** Where can we get these to hand out to our friends for a bit of peer encouragement?

**Ms Malouf:** Maybe we can give you some of the cards, which are easier to carry around. They are in production now. We can get some of those over to your office.

**MS ORR:** That would be really appreciated. Thanks.

**MS LE COUTEUR:** Possibly more important than straws are takeaway coffee cups, and appreciably more of them. Have you considered looking at them as well?

**Ms Malouf:** Coffee cups can be recycled at this point in our recycling plant in the ACT. With the straws campaign, our plan is to look at straws first and then what else cannot be recycled. There are some of those glad wrap chip packets. We have 100 per cent of schools signed as part of our Actsmart schools program. They have done some amazing things which we might like to broaden to the broader community on waste-free lunches and schools that are measuring and weighing how much single-use plastic—mostly single-use plastic—is left at the end of their lunchtime. There is opportunity to expand it to some of those plastics that do not have an end use and cannot be recycled at the moment.

**Mr Rutledge:** I was at the bottom of Barangaroo on Tuesday, looking at their waste facility. On that precinct, all the coffee cups are cornstarch; even the lids are made of cornstarch. That is where, I suppose, the retailers themselves in that precinct have got together and decided to make that change. I think there will be ongoing emerging technologies. The range of the keep cup has taken over too. It would be interesting to see whether or not single-use coffee cups are declining, given the amount of awareness that there is at the moment.

**MS LE COUTEUR:** I note that 2020 is approaching and we have a commitment for the ACT government to be carbon neutral by then. Are we on track to achieve this, or will we have to purchase offsets?

**Mr Rattenbury:** The ACT government certainly will not be zero emission by 2020. That, therefore, says that if you want to be carbon neutral you would need to purchase offsets. You may have seen in our discussion paper on towards zero emissions for the territory as a whole that the Climate Council said we should not purchase offsets and that we should apply a social cost of carbon. That is a different way. What it essentially means is that instead of purchasing offsets from someone else and making it someone else's problem, you put a penalty on yourself and use that money to continue to invest into emissions reduction. That is being actively considered by government at the moment, as to which approach we will take. We could be carbon neutral tomorrow if we were prepared to go and buy enough offsets.

**MS LE COUTEUR:** Yes.

**Mr Rattenbury:** There is a mood, particularly in the community—we got very strong feedback during the consultation process on zero emissions—that we really should not just be purchasing offsets; we should focus on our own efforts more carefully. That has certainly been noted in government.

**MR COE:** Going back to certificates, albeit certificates not acquired through the territory's large-scale schemes, is the ACT government still purchasing large-scale generation certificates?

**Mr Rattenbury:** I do not think we have ever purchased any.

**Mr Rutledge:** We acquire them, but we do not purchase them. We do not go to market to purchase LGCs; LGCs are acquired through our large-scale renewable energy generation.

**MR COE:** There is a contract on the register dated 27 June 2016.

**Mr Rutledge:** For the purchase of green power?

**MR COE:** I am not sure. It is “Provision of accredited renewable energy certificates for the carbon neutral ACT government framework”. The relevant parties are the property group and ActewAGL, and the contract price is \$700,000. The schedule says: “The contractor will secure the specified volume of 7,700 megawatt hours of large generation certificates and provide evidence of holdings on the territory’s behalf in the renewable energy certificate registry. The contractor will provide the REC serial numbers and accreditation codes to the territory. The contractor will be required to surrender the certificates in line with the green power accreditation program on 30 April 2017.” What is the background to that?

**Mr Rutledge:** What you see there is not what we were talking about earlier in relation to large generation certificates.

**MR COE:** I realise that.

**Mr Rutledge:** That is about the government maintaining the commitment to purchase a small percentage of green power, and it has held that since 2011. Since 2011, the government has been purchasing green power. I think the percentage is five per cent.

**MS ORR:** Five per cent. We actually discussed this when the property group were here, so there is quite a lot on it.

**MR COE:** Is there? Okay.

**Mr Rutledge:** Yes. It is five per cent. Property group manage the ACT government whole-of-government electricity contract, and they purchased five per cent of green power.

**MR COE:** This is the way that you get there in net terms.

**Mr Rutledge:** Get there in net terms? Sorry?

**Mr Rattenbury:** Get where?

**MR COE:** This is a somewhat indirect way of purchasing green energy. I realise that the net impact is, in effect, green energy. However, you are not doing it through a standalone ACT government contract with an energy provider; you are just getting a standard contract and then procuring these extra certificates. Was the provision of green power actually part of the tender process that ActewAGL won? If so, why do you need a whole separate contract for this? Why is it not just rolled into the price of the energy that you procure? And, if not, did you simply go on the lowest price, noting that you could get the green power by buying certificates?

**Mr Rattenbury:** Perhaps I can start answering that by saying that the green power purchase pre-dates the large-scale reverse auction process, so in a sense it is a legacy piece of work. But it is certainly part of the overall green power purchase of the government. Does that start to answer the question?

**MR COE:** Yes, it does.

**MS ORR:** I think quite a few of your questions will be answered from that transcript.

**MR COE:** I will look at that, minister.

**Mr Rattenbury:** Mr Coe, I am happy to set up for you to have a session with the officials to talk about some of the complexities about it if that is useful, as a separate—

**MR COE:** I will go through the transcript from the property group and—

**Mr Rattenbury:** Either put questions on notice or we can set up a separate discussion if you wish.

**MR COE:** Thank you.

**THE CHAIR:** On behalf of the committee, I would like to thank all of the officials and the ministers who have appeared today. We ask that answers to any questions that were taken on notice be returned to the committee secretary within five days, day one being tomorrow.

**The committee adjourned at 5.27 pm.**